App. F. IX—4

*Previous References.*

(1955.)
Ind.

File No. 7-55.

Serial Nos. 1-4

*Later References.*

P. & B.
C

# MYSORE GOVERNMENT SECRETARIAT

*Serial Nos.* Four only —

**Part B for** April 1956.

**SUBJECT**

Appeal preferred by the Govt. Electric Factory Labour union before the Labour Appellate Tribunal, Madras Branch, in regard to their bonus claims for the years 1949-50, 1950-51 and 1951-52 and also in regard to their sub-sequent years upto 1954-55 inclusive.

WD 0249—GPB—25,000—16-9-55

G.O. No. I. 1875-V. D. 21.7.55

The Addl. Dir. of Ise
The Secy., B.M.I.C.
The Adv. Gen.
The A.G. through F.D

Sanctions four months bonus in addition to one month's pay already paid as bonus in full & final settlement of their claims for these years.

:. V. Rajanna.

3800.

429
I.

From

The Secretary,
Govt. Electric Factory
Labour union, B'lore

Letter D 3rd Nov 1953.

Forwards the application under Sec 10(2) of the I. D Act 1947 for referring ~~the~~ six demands of the Govt. Electric Factory workers to the Industrial Tribunal for adjudication.

(1) Subd. A reference under Sec 10(2) of the I. D Act is only possible when both the workers & Management make an application jointly or severally for reference of the dispute to the Tribunal. In this case the workers only have applied & there is no application on behalf of the Management hence the dispute cannot be straight away referred to the Tribunal. However the application may be taken notice of as evidence of an existing dispute

Industrial Dispute bet Workmen & Management of the Govt Electric Printing

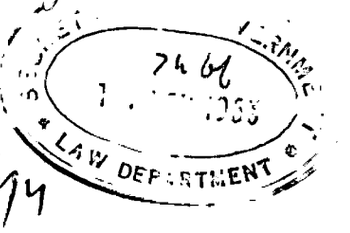
& a application referred u/s I.-C. for conciliation & report under Sec 12 of the I.D Act. For orders.

Dr
13.11-53

2) The Labour Commr may be asked to attempt a conciliation and send up an early report

(Law Secretary)

13/11/53




3) 'A' may be done

(Minister for Law)

19/11/53

6919

4) Dull

24/11

28/11/53

(5) Sub'd with a draft letter u/s I.C. for approval.

(6) Issued

Dr
30.11.53

Issued letter No. I.-S. 5401/I-D dt 5-12-53 of the Commissioner of Labour in Mysore, Bangalore.

5-12-53

5/12

3800 ] 5349 ] ~~5460~~

Dispute between workers & Management of the
Govt Electric Factory, B'lore

---

From

The commissioner of Labour
in Mysore, Bangalore

Letter No: D.S. C. 1438-194/53-54 dt 18.1.54

Suggests that the demand for 4 months bonus
may be referred to the Tribunal for adjudication
and adds that a further report will be sent
regarding the result of conciliation in respect
of demands No 2, 3 & 4 of the Govt Electric Factory workers

(7) Submd. The further report promised by
the Labour commissioner may perhaps be awaited

The agreement entered into (vide flag R.)
is for kind perusal.

8/ The L.C. may be requested to
expedite the promised further report.

9) 9/2

(10) This promised report is already received
on 23.1.1954 which is put up separately. This
fact creates confusion. As stated above
file together above 9/2

Submd.
The observations
here in regretted. The
further delay not relate to
demands 2, 3, 4, in the
promised report.

Delayed for
nearly 20 days!!

This is another
instance of this office
dilatoriness. Please
write to them 9/2

Re
8/1/54
is for
kind perusal.
9/2

Vide listed
from Sno 5739

3800/5349.

Dispute between workers & Management of the Govt Electric Factory.

1) Subd. the Report dt 20.2.54 of the C.C. relates only demand No 5 in respect of which an agreement has been already arrived at in respect of which a notification under Sec. 4 (2) (a) of the Payment of Wages Act has been issued. It does not relate to the further conciliation report promised in respect of demands 2, 3 & 4.

2) A draft reminder calling for the further report promised by C.C is put up for approval.

3) Some

Sd
9-2-54

Signed letter No C.S. 7207/C.W dt 12-2-54 to the Commissioner of Labour

Sd A
12-2-54.
Sd illegible

From

The Commissioner of Labour

in Mysore, Bloe.

Rc. No Ag. C/438/CR.19 dt 24-2-54

States that since the Management views

5349 to 6267/53-54 & 3539

8/8

Dispute between workmen & Management of the Govt Electric Factory Bldr.

Law not yet been received, it has not been possible to take up conciliation in respect of demands, 2, 3 & 4.

(4) Subd. The receipt of a further report from A.C. as to the result of conciliation in respect of these demands No 2, 3 & 4 may be awaited. 15) Issue a reminder

4/3

27-2-54.

4/3

16) Draft reminder to L.C is put up for appn.

4/3/54.

17) Issue

4/3

Issued vide No. L.S. 7848/Lw dt. 9.3.54.

9/8/54

7/4

18) Fair Copy of a reminder to L.C. requesting him to send his reply urgently, is put up for appn & Signature

26/6/54

19) Issue

24/6.

Issued memo No. L.S. 2316/C.W. D 28-6-54 to the L.C.

Sub

25/6/54

5/8

From the L.C. in charge, Bldr.

Letter No. AS/C.1438-P.R.194/53-54 dated 28-8-1954 furnishing a report in the matter

20) In the circumstances stated in para 2 of the above letter the L.C. is of the opinion that the three demands of the dispute of the workers in respect of gratuity, grant of House Rent Allowance and payment of overtime

wages do not admit of being conciliated upon, and the matter may have to be left for the present.

2) Kind reference is invited to para 3 of the L.C's letter dated 18th January 1954. The L.C. had suggested (Flag R) therein that the demand No. 1 of the workers regarding payment of 4 months' pay or wages as bonus to them may be referred to the Industrial Tribunal for adjudication. It is not known whether any agreement has been since arrived at in respect of this demand also or whether it is still undisposed off. If approved the L.C. will be addressed on this matter.

SECRETARY DEVELOPMENT DEPT
5 OCT 1954
Govt. of Mysore

HW
23/9/54

3) The only demand that remains unsettled during Conciliation is about "the payment of 4 months' pay or wages as bonus for 1952–53". The Labour Commissioner has already reported that in his letter dated 18.1.1954 (Flag M). — vide 3 — that no Compromise in this Connection is possible and no settlement could be arrived at. For this reason he suggested that this demand may be referred to the Tribunal for adjudication. The recommendation may be approved under the Circumstances reported.

Secretary)

'A'

SECRETARIAT
LABOUR DEPT

23' In the Circumstances "A" may be done

Minister for Labour

Min Home & Tpt — through Development-Secretary

OCT 1954

L.S. 6267/53-54 3539
Dispute between the Workers and Management of the Government of the Government Electric

Mysore Government Secretariat

File No. Factory of 195 App. F. III 2

4430 Laws 32-55

Serial No.

4411

25) We need not refer the matter to the Tribunal for adjudication unless it is imperative according to law.

Hon
4-11-54.

Office of the Minister for Law & Education.
No. 4358
Date 6-11-54

26) PWD Secretary Respdt Advt 9-11 cm 5/11/54

27) Secretary-PWD) cm 10/11

cm 10/11/54

28) Dev Secy) cm 11

29) Ref para 25: It may kindly be stated whether reference to the Tribunal is imperative according to law

Laws Secy 12/11

12/11

SECRETARY TO GOVERNMENT LAW DEPARTMENT 7966 11 NOV 1954

SECRETARY DEVELOPMENT DEPARTMENT 5684 11 NOV 1954 Government of Mysore

30) As seen from para 22 supra, the only demand that remains unsettled during conciliation is about the payment of 4 months pay or wages as bonus for 1952-53 and the Labour Commissioner has suggested that this demand may be referred to the Industrial Tribunal for adjudication. The question for consideration is whether it is imperative to refer this matter to the Industrial Tribunal. According to Section 10(1) of the Industrial Disputes Act, where the appropriate Government is of opinion that any industrial dispute exists or is apprehended, it may at any time, by order

Law 13/11 cm 13/11

MYSORE GOVT. SECRETARIAT No. 7 NOV 1954 LAW BRANCH

Note.—Contn. Sheet

Serial No.

in writing, refer the dispute to a Tribunal for adjudication. But, according to the proviso to the same section, if the dispute relates to a public utility service and a notice under Section 22 has been given, the appropriate Government shall, unless it considers that the notice has been frivolously or vexatiously given or that it would be inexpedient so to do, make a reference to the Tribunal. According to the proviso to Section 10(1) of the Act reference to a tribunal will be imperative if the dispute relates to a public utility service and notice under Section 22 has been given unless the Government considers that the notice has been frivolously or vexatiously given. The first question for consideration is whether the Government Electric Factory is a public utility service or not. Section 2 (n) of the Industrial Disputes Act relates to public utility service. "Public Utility service" means -

(i) any railway service;

(ii) any section of an industrial establishment, on the working of which the safety of the establishment or the workmen employed therein depends;

(iii) any postal, telegraph or telephone service;

(iv) any industry which supplies power, light or water to the public;

(v) any system of public conservancy or sanitation;

(vi) any industry specified in the Schedule which the appropriate Government may, if satisfied that public emergency or public interest so requires, by notification in the official Gazette declare to be a public utility service for the purposes of this Act, for such period as may be specified in the Notification.

It

Serial No.

31)

It is not specifically known what kinds of goods are prepared in the Government Electric Factory and even assuming that some bulbs or transformers are manufactured in the Factory it cannot be said that this Factory supplies light within the meaning of Section 2(n)(iv) of the Act. Again, there is no material to show that this Factory has been declared as a public utility service in any official Gazette. In the circumstances, it cannot be definitely said that the Government Electric Factory in question is a public utility service within the meaning of Section 2(n) of the Act. Further, even assuming for the sake of argument that this Factory is a public utility service, even then a notice under Section 22 of the Act ought to have been given as required under the proviso to Section 10 of the Act and from the available records it cannot be said that such a notice has been issued by the employees of this Factory. Moreover, even if such a notice has been issued, even then the Government need not refer the matter to the Industrial Tribunal in case the Government come to the conclusion that the notice was frivolous or vexatious. Inasmuch as the Government Electric Factory cannot be conclusively deemed to be a public utility service within the meaning of Section 2(n) of the Act and in view of the circumstances that no notice under Section 22 of the Act has been issued by the employees, it is not imperative to refer this matter to the Industrial Tribunal.

Eligibility between workers & managem

Govt. Elec. Fact.



Serial No.

32) If the Factory in question is not a public utility service, then Section 10(1) of the Act will apply to the circumstances of the case and the word used in Section 10(1) is "may" and it is not obligatory on the part of Government to refer any matter to the Industrial Tribunal and it is only discretionay and if the Government think it appropriate the matter may be referred to the Tribunal. Otherwise no reference may be made.

SECRETARY DEPT. 896 Government of T.N.

Development Secretary) cw 4/2/55

cw 7/2

Labour Secy) 33) 11/2 19/1/55

Minister for Labour & Minister for Home & Industries) Seems not to speak

SECRETARY 87 19.1.55 LAW DEPARTMENT 16 FEB 55

34) Labour Commissioner. to speak Agd 16/2

cw 12/2/55 cw 19/1/55

35) cw 16/2/55 16/2/55

Office of the for Labour 468 dt 16-2-55

36) Draft letter to the Labour Commr is put up for approval

Agd 18/3 cw

37) Issue cwR 19.3.55

19/3 Issued letter no LS.6254/d. no dated 21.3.55 to the Labour Commr.

Dispute between the workers and Management of the Grant Electric Factory.

Mysore Government Secretariat | File No. 3539/LS. of 195 . | [App. F. III 2

Serial No. 429/I
28 APR 1955
INDUSTRIES

Office of the Minister for Law & Education
No. 296
Date 19-4-55

SECRETARY DEVELOPMENT DEPARTMENT
630
20 APR 1955
Government of Mysore

3) Refer Para 34 : The P.A. to the Law Minr may be requested to intimate whether the L.C. had met the Minister & the decision taken at the meeting.

Law 16/4 (P.A. to Min for Law & L)

39) The Development Secretary, visiting the Director of Economics & Statistics in connection with Conference with Central Govt. officials vis-a-vis the recent bonus rules & put up proposals

DS 15/4/55

16/4/55

16/4/55

40 The file may be sent to the Development Secretary for necessary action w/r to Law Minister's minutes in Para 39

635 19.4.55

Law 18/4 (Law Secy)

18/4/55

18/4 (Development Secretary)

19/4/55

19.4.55

Please discuss

21/4

41 We might first get a note from the Secy. BMSC & the position in respect of the Bonus & C.E.F for 52-53.

27/4.

NOTE.—Contn. shee

Disputes between the workmen and Management of the C.E.F.

(129)

File No. of 195 .

Mysore Government Secretariat

Serial No. 429/1

42 Refer para 41 The file may perhaps be referred N.O. to the Secretary, Economic for remarks.

27/5/55 27/5

4/O NO I 10/55-56 Date 13/5/55

Forwarded to the Secretary, B.M.I.C. for favour of urgent remarks.

10-5-55

For Secy.

No. 286 dated 14-5-55

No. 670/dated 6th June 1955

The question of grant of Bonus to the employees of the Government Industrial Concerns for the year 1952-53 was considered by the Board at its meeting held on 28th January 1954 at which the following Resolution was passed:

"In deciding grant of Bonus in previous years based on the percentage of return on Capital, it was found that interest on Capital and increased Audit charges, (which are not actually payable, but are only provided for during the present year under review in the pro-forma section of the accounts) had not been taken into consideration. It was, therefore, decided that such provisions need not be taken into account, and that the return on capital be arrived at on the same method as was followed in previous years. It was accordingly resolved that a recommendation may be made to Government for payment of Bonus as under as in previous years:

| | | | |
|---|---|---|---|
| xxx | xxx | xxx | xxx |
| 4. | Govt.Electric Factory | 1 month's or 1/12th of the total pay or wages earned in the year. | |
| xxx | xxx | xxx | xxx |

WD 07074—GPB—80,000—5-10-54

45 Accordingly, a recommendation was made to Government for payment of Bonus as recommended by the Board in this office letter No.1750 dated 16-2-54 followed by letter No.91 dated 25th April 1954.

46 Subsequently the Additional Director of Industries & Commerce wrote to Government in his letter No. GEF/53-54 dated 25th March 1954 as under:

> "The appeal filed by the Labour Association against the Award of the Industrial Tribunal relating to the payment of Bonus equal to one month's pay for the year 1951-52 is still pending before the Labour Appellate Tribunal and has not been withdrawn. Intimation has not yet been received from the Labour Appellate Tribunal regarding the date of hearing.
>
> The question of payment of Bonus is subjudice. It cannot be stated what principles will be taken into account by the Labour Appellate Tribunal in giving their decision on the appeal preferred by the Workers regarding Bonus for 1951-52.
>
> The Board of Management for Industrial Concerns has already recommended payment of one month's Bonus for 1952-53 and the matter is under consideration of the Government.
>
> In the circumstances, the General Manager proposes that no decision regarding payment of Bonus for 1952-53 need be taken until the above appeal filed by the Labour Association is finally disposed of by the Labour Appellate Tribunal or settled out of Court.
>
> I agree with the above and request approval. I suggest that in the Bonus Government Order to be issued, a sentence may be added stating that separate orders would issue in the case of Govt. Electric Factory."

47 The above recommendation of the Additional Director to defer the payment of Bonus for the year 1952-53 in respect of the Government Electric Factory was approved by the Board (vide Resolution No.8 dated 16th August 1954) and the Resolution was communicated to Government in this office letter No.688 dated the 6th September 1954.

48 It is understood that the appeal filed by the

BOARD OF MANAGEMENT FOR INDUSTRIAL CONCERNS

**SUBJECT**: Dispute between the workers and Management of the Govt.Electric Factory.

Page

Government Electric Factory Labour Association referred by the Additional Director is not yet disposed of by the Labour Appellate Tribunal.

In the meantime A Committee was constituted to go into the question of Bonus and laying down definite principles in this regard. On the recommendations of the Committee Government have in their order No.I 5262-9 ~~Ind.38-54~~ Ind.38-54-18 dated 16th March 1955 passed orders in this regard. The principles laid down in this Govt. Order will, however, be applicable from the year 1954-55 and not retrospectively.

SECRETARY DEVELOPMENT DEPARTMENT
10 JUN 1955
Government of Mysore

(T.Hanumiah) 6/6
SECRETARY,
Board of Management
for Industrial Concerns.

DEV.SECY.)

Some proposals have been received from the Addl Dy. Ltr, as a result of the Negotiations recently held. Please put up by 9/6/55 — Weekly

Submitted The file containing the proposals of the Addl Dir I & C to settle the Dispute — being No 10350/I was submitted yesterday.

Submitted with reference to para 50 of the notes above.

11/6/55 (Main file since sent to Dev. Secy - today)

Dispute between the workers and Management of the C.E.F.

Mysore Government Secretariat | File No. of 195 . | [App. F. III 2

929/1

Serial No.

53) The proposals received from the Addl. Director of I.T.C. for the settlement of the dispute between the Management & labour of C.E.F. include also payment of a months bonus for 1952-53. These proposals are now under consideration & orders thereon may be awaited

Dev. Secy.

11/6

54) Js 1126 (May be linked 11/6/53 - Next file)

13/6

SECRETARIAT DEVELOPMENT DEPARTMENT
11 JUN 1955
Government of Mysore

NOTE. – Contn. shee

Appeal filed by GEF Labour Union against the Award of the Industrial Tribunal, Bangalore

Mysore Government Secretariat | re: Lebour for 1946 of 195 5-6, 50-51 & 51-52 File No. | [App. F. III 2

429 SW 43/55 Serial No.

From the Addl Dy I.G.

Letter No. GEF 698 Dt 17-5-55 requesting sanction to depute the G. M., the Chief Accountant and the Administrative Assistant, GEF to Madras for the hearing of the above appeal posted for 25-5-55

55) 1 Draft G.O. is submitted for approval.

56) 2 After issue, the file may be sent to the Law Branch for immediate action to instruct the Advocate General also to represent the Govt at the hearing

57) 3 Draft G.O. is for appl.
Cy 19/5/55
(Illegible) 19-5

58) 4) May be approved, with F. D.'s concurrence.

Dy. Secy. | Minister

59) 5 For favour of urgent concurrence.

F/Secy

20/5 Minister

60) 6 20/5/55
Today
R Secy

61) 7 Issue & take further action

20/5 Minister

DEVELOPMENT DEPT

FINANCIAL BRANCH
GOVT. OF MYSORE
20 MAY 1955
2145
U. NOTE. Contn. sheet

Appeal filed by G.E.F. Labour union against Award of Dy. Labour Commr. Bangalore.

743 File No. Rel. Bonus for 50-51 & 51-52 of 195 — Mysore Government Secretariat

Serial No.

1218 Law 55-56

8) Fair copies of G.O.'s submitted for communication to A.G. Law Dept.

20/5/55 — Submitted — Asst Secy

(Bs 21/5

9) H.C. comm No 1326 Engd 21/5 Vrl 21/5

Ch 23/5 Vrl 23/5

Issued G.O. No. EL 602-3 D. 24.5.55

Fwd Asst Govt Pleader Dist Ct. Bgl. for information

10) The file may kindly be sent to the Law Secretary urgently for further action to depute the Advocate General to Madras - refer para 2 above.

11) Submitted 23/5/55 (Bs 23/5

12) Law Secy 23/5

Law 24/5 — 23/5

LAW DEPARTMENT

WD 07074—GPB—80, 000—5-10-54

Appeal filed by B.E.E. Labour union against the orders of the Industrial Tribunal.

Mysore Government Secretariat | 743/I File No. of 195 . 1218/Lab | [App. F. III 2

Serial No.

67) 13 The Addl. Advocate General in Petn has already been requested in the G.O No. 197-Lab/Lab 19.5.55-2 d. 15.5.55 to represent the management in the above case. The Advocate General has reported that efforts are being made to settle the matter out of court & the Advocate General has also addressed a letter to the Chairman Labour Appellate Tribunal Madras requesting for adjournment to a suitable date. Further report from the A.G. is awaited.

68) 14 This may be returned to the Industries Dept with the above information, U/R to para 12 Supra

Sd/- 25.5.55

Submitted for orders

Monday
Tuesday
Wednesday
Thursday
Friday
Saturday
by 24/5

25 MAY 1955
INDUSTRIES BRANCH

From the Addl Dist

Letter No 892/55 dt 22-6-55

requesting ~~that the~~ orders authorising the Advocate General to explore the possibilities of an amicable settlement before the next hearing at Madras on 15-6-55 and to depute the concerned officers to Madras on that date.

NOTE.--Contn. shee

File No. of 195 . | Mysore Government Secretariat

Serial No. 1301/1

A Draft G.O. is submitted for approval

CP/ 10/6/55

[illegible]

Reference is invited to para 4 of the PLD detailing the basis on which it is proposed to settle the dispute. The final offer made by the Management of the C.E.F., subject to the approval of Govt., was 3 months' pay would be ~~given to~~ given to the employees as 'bonus' on the following ~~basis~~ scale.

for 1951-52. One month's pay as bonus already paid as per Award.

1952-53. One month's pay as bonus based on that year's wages and according to the usual conditions

1953-54. One month's pay as bonus based on that year's wages according to the usual condition

" 1954-55. Two months' pay as bonus based on that year's wages according to rules.

The Addl Dir requests that immediate orders approving the above

WD 07074—GFB—80,000—5-10-4

Appeal filed by the Labour ~~Appellate~~ Union, C&E F. re bonus.

Mysore Government Secretariat | File No. of 195 . | [App. F. III 2

938 | 1
1030 | 1

Serial No.

proposals may be communicated to the D.C. through the Law Secretariat.

72) 17 The latest rules for the grant of bonus to employees of Coal Industrial Concerns is put up. It is for orders whether the bonus to be paid to the workers of the C&E.F. as proposed in the P.W.D should be subject to those rules.

73) 18 Submitted

(M 10/6/55) In effect, the proposals of the ~~Dr~~ Addl. Dr. amount to only paying 4 months bonus for the years:

1952-53; One months bonus:
1953-54: One- Do - - "
1954-55- Two-months bonus, is recommended, because of the expection of enhanced returns.

74) 19) May be sanctioned, as it appears to be a long-standing dispute, and in the interests of keeping labour above discontent on the eve of the II ~~Year~~ Five year plan.

75) Fin Secty may be consulted.

(Ss 10/6.

~~Secretary to Govt Finance~~

~~Secretary before 1954-55 and also~~

NOTE.—Contn. sheet

Appeal filed by G E F Labour Union
Ref Bonus etc. 1930 f.

File No. — of 195 . | Mysore Government Secretariat

Serial No. + Flag 'O'

20) Accordingly, in the Govt. of 16-3-55, interest on capital has to be deducted before arriving at the net profit for purposes of bonus, from 1952-53. of interest is no deducted, the labour will not strictly be entitled to any bonus for 1952-53 and 1953-54, and for 1954-55 they will be entitled only to the usual bonus.

11) 21) In the special circumstances explained by the Addl. Director of Ind., his proposals may, however, be considered favourably in consultation with the Land & the Financial Secretaries.

22) As immediate orders are required, there is no time to consult the D.H.I.C.

For orders.

Dy. Secy.

23) This factory is on the threshold of great development. Many new lines of manufacture and considerable expansion of the potential & range of existing ones

1030/I Appeal filed by G.E.F Labr Union Re Bonus etc.

Mysore Government Secretariat | File No. of 195 . [App. F. III-2

Serial No.

are Contemplated in the Scheme of Collaboration with the A.E.C. of West Germany which Scheme is about to be finalised. Further, the location of the Heavy Electrical Plant of the G of I in the G.E.F. Bangalore is highly probable. For these and other reasons it is necessary to establish an atmosphere of Complete Cordiality and understanding between the employees and the Management (Govt.) here

(80) 24) The dispute regarding the payment of bonus to the employees of this factory has been subsisting for the past six years. The Industrial Tribunal Bangalore Considered the Claims in respect of the years 1949-50, 1950-51 and 1951-52 and awarded only one month's bonus against the 7 months' bonus demanded by the Labour Union, rejecting the Claims for the years 1949-50 and 1950-51 on grounds of loss incurred by the factory. This decision has been taken up in appeal before the Appellate Tribunal This appeal is coming up for hearing on the 15th instant at Madras.

This bonus has even been disbursed. Bn

NOTE.—Contn. sheet

Appeal filed by G E T Labour Union
Re: Bonus etc.

File No. of 195 .

Mysore Government Secretariat

Serial No.

During the major portion of the year 1954-55 I was in direct charge of the factory. It must be said to the credit of the Labour Union that they brought about a really Cooperative attitude on the part of the Workers which attitude was to some extent responsible for the exceptionally good results achieved during the year. The total sales touched the high water-mark of Rs 47.71 lakhs and many valuable orders from outside the State were secured. As a consequence of the good will that was established between the Labour & Management, the Union Office bearers offered to withdraw their appeal before the Appellate Tribunal and accept an out-of-Court Settlement covering all pending matters relating to Bonus. The then Min. for Industries favoured the idea of some exploratory discussions designed to reestablish Cordial relations.

2) 25) The present Asst. Director has had discussions with the Union and has submitted certain agreed proposals for the orders of Government. They are:-

(a) In respect of 1952-53 - 1 months Bonus
" " 1953-54 - 1 "
" " 1954-55 - 2 "

Appeal filed by G.E.F. Labour Re Bonus etc.

Mysore Government Secretariat | File No. of 195 . [App. F. III 2

Serial No.

As regards 1952-53, the total profit made by the factory amounted to Rs 4,02,433-2-6 which works out to 7.57 of the Capital. During 1952-53 there was no order current that the Concern should Register a profit of a minimum of 5%. after allowing for 4% interest on Capital. So one month Bonus is clearly admissible for this Year.

92) 26) Similarly for 1953-54, the total profit being Rs 3,20,537-15-3 (6.5% of the Capital) one month Bonus is payable as the order directing allowance of 4% of Return on Capital was issued only on 16.3.55 with the clear indication in the penultimate para that

"The above rules and instructions governing the payment of bonus in Government Ind. Concerns will take effect from the Year 1954-55 and not Retrospectively".

83) 27) As for 1954-55 the Gross profit earned is Rs 4,63,197-11-4 & the net profit after allowing for interest is Rs 3,25,609-4-4. ~~Though~~ The Gross profit works out to about 10% of the Capital & the net profit works out to about 7.8%. This, Strictly Speaking Can Sustain a payment of only one month's Bonus and even that, if we take the Capital at Rs 43,94,741-13-1. This figure is arrived at by the Factory & on the basis of Calculation adopted heretofore. But

NOTE.—Contn. sheet

Appeal filed by G.E.F. Labour Union
re Bonus.

File No. - of 195 . | Mysore Government Secretariat

Serial No. | ⊗ Flag L

in Go. No Fl.(B) 1562-67/Bud 96-54-2 dated 29.4.1955- the Government Capital is to be Calculated in a slightly different manner. According to this mode of Calculation the Govt. Capital in G.E.F. Works be Rs 70,00 221-11-7. But as the Order in Question has issued after the Close of the Official Year 1954-55; I think that the revised mode of Calculation Can be made applicable only from 1955-56 onwards. Now the Question is whether Men have one Months bonus Can be allowed when the Net Profit earned is Not More than 10%.

28) My own view is that a favourable attitude Could be taken in the Matter. The Order Showing a Minimum of 10% Net Return for a payment of ~~bonus~~ of 2 months bonus issued towards the end of the year 1954-55- and it is for Consideration if the same may not be applied mutatis Mutandis from 1955-56. This special Consideration is indicated in the present Context as it will serve to terminate a long ~~Et Satya~~ Period of dispute and friction between the Union & the Management- Now when on an era of Cordial Relations. It may not be out of place to mention here that due to fluctuations in the prices of raw materials etc the Factory was able to derive a big Windfall profit

Appeal filed by G.E.F Labour Union Re: Bonus.

Mysore Government Secretariat

File No. * of 195 . [App. F III-2 1030/I.

Serial No.

Of Rs 1965-676-12-6 This is of course non-operational profit derived over a period of 6 years and hence not within the purview of a demand for bonus. But it cannot be overlooked that here has been a large windfall Nearly 9 times the total bonus now recommended viz Rs 2·2 lakhs @ Rs 55 000 per year. (A Council matter)

Inds Minr

Chief Minr

A-Sey & Ch. Sey

Mo 13/6/55

2168

FINANCE SECRETARY 18 JUN 1955 No. 3288 Fl.

(1) 29) I am not sure if it is really necessary or even desirable to placate the workers of this industrial concern by granting them an extra month's bonus, which is not due to them for the year 1954-55, as proposed. We should, I think, take up a firm attitude and refuse to concede any things that is not strictly & legally due. Any such concession in this instance may lead to further undue demands later on and also set up a bad precedent. I am therefore not in favour of the

NOTE.—Contn. sheet

Appeal filed by G.E.F. Labour Union Re Bonus -

File No. 1030/I of 195

Mysore Government Secretariat

Serial No.

1954-55,

15

30) I agree with the Financial Secretary 16/6/55

896

SECRETARY DEVELOPMENT DEPT. 268 16 JUN 1955 Government of Mysore

17 JUN 1955 3852 GOVT. OF MYSORE

31) The Development Secretary has endorsed the view that four months' bonus may be given as against six months' bonus claimed by the labour in view of the fact that there is a very heavy developmental programme of the industry before us. It is necessary that there should be a very wholehearted co-operation of the labour, without which, it would be futile to think of making headway progress. For the years 1952-53, 1953-54 and 1954-55, Government will have to pay one month's bonus for each year under the Rules. The question is whether only one months' bonus should be paid for 1954-55 or two as recommended by the Additional Director and endorsed by the Development Secretary. There is justification for payment of two months' bonus on account of a very high gross profits registered in the year 1954-55. Whether two months' bonus will be allowed by the tribunal or not is not important. Conceding to pay two months' bonus

SECRETARY 25 Govt

OFFICE OF THE MINISTER FOR INDUSTRIES No. 455 21 JUN 1955

WD 07074—GIP—80, COC—5-10-54

contd.

Serial No.

for 1954-55, as proposed will help to settle a dispute of six years standing and put the labour in proper gear. This is suggested not as a measure of placating labour but as a generous gesture designed to keep the relationship with the labour - healthy and encouraging. The representatives of the Labour Union interviewed me on 12th July 1955. Their representations did not appear to me as motivated by a spirit of exploitation. I found in them a spirit of co-operation & a keen desire to contribute their mite to improve the production. Under the circumstances, I feel that it is desirable to end this deadlock although, it will mean a little generosity on our part.

32) The Labour representatives have agreed to withdraw the appeal and accept four months' bonus in final settlement of all their claims. The extra payment involved is Rs.55,000/- as against the net profit of about Rs.6.24 lakhs earned by the Factory during the 3 years 1952-53, 1953-54 and 1954-55. There has also been a very large non-operational profit during this period.

33) On overall consideration of all the aspects of the question, I feel that the proposal may be accepted with advantage to Government.

34) The case before the Tribunal is finally posted to 22nd July 1955 and it would not be possible to get a further adjournment. If the proposal is acceptable to the Chief Minister, orders may be issued in anticipation

NOTE.—Contn. sheet

Appeal filed by G.E.F Labour Union Kolar Bonus :

File No. of 195 | Mysore Government Secretariat

Serial No.

anticipation of Council decision.

455

Hlm
20/7/55

Chief Minister
W/c

391
20/7/55

1) 35) I agree. Issue orders and place it before council for ratification.
21.7.55

Mn
21/7/55

2) 36) Draft G.O. is submitted for appl.
21/7.

37) Draft G.O. is for appl.
35 21/7

3) 38)

Issue
21/7

4) 39) Issue
21/7

Issue
21/7

5) 40 signed copies of GO No I 1875-8/Ord 7.55 dt 21.7.55 are placed below may be communicated to the unfair Bangalore

22/7/55

6) 41 Asst.
22/7

WD 07074—GET—80,000—5-10-54

Appeal of the G.E.F. Labour Union before the Labour Appellate Tribunal, — payment of Bonus

Mysore Government Secretariat

1030/I File No. Ind. 7 of 1955. Sl. no 4. [App. F. III 2

Serial No.

42 Pl Con 3276

97) Hd 28/7.

Ch 23/7/55

Secy 23/7

To Issued G.O. no. G 1875-8. D. 21. 7. 1955
The Addl Dir of Ir.
The Secy. B. of D.C.
The Advocate-General.
The A.C. the T.D.

Orders the payment of bonus equal to one month's pay for each of the years 52-53 and 1953-4 and bonus equal to two months pay as a ~~special~~ special case for 1954-5, to the employees of the G.E.F., subject to the usual conditions governing the grant of bonus to workers in G.D.C.

98) 43 Refer para 35 — A Draft-Council note will be put up after the receipt of intimation from the Advocate General that the Appellate Tribunal have agreed to the withdrawal of the appeal pending before it.

99) 44 Submitted for orders. 26/7/55 45 100)

Govt B Telegram 2-8-55

NOTE.—Contd. sheet

28/7/55

Appeal filed by C & E F. Labour Union

1030/1

File No. Re: Eco ... of 195 .

Mysore Government Secretariat

Serial No.

(1) 46 No report has been received so far from the Advocate-General re: withdrawal of the appeal. Draft Council note is submitted for approval

Cir 19/8/55 (2) Ref: para 35 supra. —

Chief Minister's kitchen)

(3) 17/8

(4) It may kindly be ascertained whether the Appellate Tribunal has agreed to the withdrawal of the Appeal.

Law Secy)

(For Dev. Secy)

(5) (49) Refer Para 48: The Labour Board has no information to furnish in the point as no information has been received so far. The General Manager, G.K.F. may be consulted.

Law Secy)

Dev Secy)

(6) SC Counsel

MYSORE GOVT. SECRETARIAT No. 3300 23 AUG 1955 LABOUR BRANCH

WD 07074—GPP—80, CCC—5 10-54

SECRETARY DEVELOPMENT 3486 1 SEP 1955 Government of Mysore

574

Payment of bonus to the employees of G.E.F. for 1952-53, 1953-54 and 1954-55

1030 Dy 30 6 56 I

From the A.G. - letter No. 323, G.O.A.D.2 1B/55-56 Dy 30-8-55 requesting that a copy of

I. the Addl Director's letter No. A2-G.E.F/55-56/a Dy 9-6-55

107) 51 Draft letter to the Addl Dir I-C (refer para 50 above) is submitted for approval.

106) 52 The A.G's request abstracted above I for a copy of the Addl Dir's letter Dy 9-6-55 is also submitted for orders.

Dy 5/9 (35 16/9 109) 53 Issue -

110) 54 A.G.'s request may be complied with. Pl. put up draft -

Issued L. No. 9.2752 dt. 12.9.1955 to the Addl Dir. of Gte.

Requests to intimate whether the Labour Appellate Tribunal, Madras, has agreed to the withdrawal of the appeal preferred by the G.E.F.S Labour Union.

Draft-letter to the A.G. (refer para 54 above) is submitted for approval.

Dy 16/9 (35 16/9 112) For perusal before issue

113) Issue

SECRETARY DEVELOPMENT DEPARTMENT 3894 21 SEP 1955 Government of Mysore

983

[illegible] 1934 [illegible]

ma7/55/4
3927/I

[illegible]

Forwards a copy of letter [illegible]

[illegible] matter

i) Draft reminder to the Additional Director on this office letter Dt 12-9-55 is subd for approval.

[illegible] 29/11

ii) Issue
29/11

[illegible]
[illegible] 5/12

[illegible] letter [illegible] E I-/77-5733/55-56 Dt 15-12-55 forwards a copy of the order of the [illegible] Appellate Tribunal [illegible] the [illegible] of the appeal.

Submitted with reference to para 48 above.

[illegible] 27/1/56 28/1

i) A D.C.N. may now be put up.

[illegible] 1/2

D.C.N. is submitted for approval.

[illegible] 3/2 4/2

ii) Issue

[illegible]

[illegible] 29/2 [illegible]

Typed copy subd.
[illegible] 13/2
13/2

G.E.F. -- Payment of bonus for 1952-53, 1953-54 and 1954-55

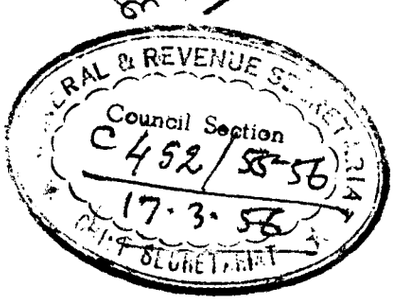
3927/I.

122) Ten copies of the Council Note are submitted for signature and transmission with the file to the Chief Seat.

G. BRW

123) As. Sec. (G) 14/3/56.
Ch. Sec. ) 17/3/56.

17/3




Council Case No. C. 452/55-56
Date 18.3.56

FOR CONSIDERATION AT
A MEETING OF THE COUNCIL

*Council Note circulated for information*

*Asst. Secy.*
*Chief Secretariat.*

18.3.56

18/3

C.452/55-56.

*Extract from the Proceedings of the* Seventy Second *Meeting of the Council of Ministers held at Bangalore on* 26th March *19* 56.

SUBJECT:- C.452/55-56.

124) Settlement of the dispute between the Labour Union and the Management of Government Electric Factory, Bangalore, regarding payment of Bonus.

DECISION OF COUNCIL.

125) Council ratifies the action taken in issuing Government Order No. I.1875-8/Ind.7-55-4, dated 21st July 1955, sanctioning in all four months' pay or wages as Bonus to the workers of the Government Electric Factory, Bangalore, for the years 1951-52, 1952-53 and 1953-54, in addition to the one month's pay already paid to them as bonus for the year 1951-52, in full and final settlement of their claims for those years.

(SD) K. HANUMANTHAIYA,
CHIEF MINISTER.

Development Secretary.)

7410

"EXTRACT"

*for Chief Secretary to Government.*

M. G. S. App. F. G. 3.

MYSORE GOVERNMENT

SECRETARIAT

(*Continuation sheet draft form*).

L. S. 5401/L.W. Dt. 5-12-53

Encls 3.

To

The A. C.

Sir,

Subject:- Dispute between workers & Management of the Govt Electric Factory, B'lore

Reference:- Application dt 3-11-53 from the Govt Electric Factory Labour Union, B'lore

I am directed to forward herewith the application referred to above and to request you to please attempt a conciliation and to send up a report to Govt in the matter very early.

Dt 30-11-53.

Yours faithfully,

Secretary to Govt Labour Dept

WD 03546—GPB—40,000 —14-8-53

C. F. No. 45]

**GOVERNMENT OF MYSORE**

Tele gram phone

**OFFICE OF**
The Commissioner of Labour in Mysore
No. 5, Infantry Road, Bangalore-1,
Dated the 18th January 1954.

MYSORE GOVT. SECRETARIAT
No. 5349
19 JAN
LABOUR BRANCH

No. A5.C.1438-194/53-54.
Encls. One.

To

The Secretary to Government of Mysore,
~~Law Department~~, Bangalore.

Sir,

Subject:- Dispute between the workers and Management of the Government Electric Factory, Bangalore.

1) With reference to your letter No.L.S.5401/L.W. dated the 5th instant on the above subject, requesting to attempt conciliation and send up a report to Government, I write to state that conciliation proceedings were held in my office on the 17th and 18th instants between the General Manager and the representatives of the Labour Association of the Government Electric Factory, Bangalore, the Assistant Commissioner of Labour, Bangalore, being present. During the conciliations it was observed that all the 6 demands relating to payment of bonus, introduction of Gratuity Scheme, House Rent allowance, payment of overtime wages etc., as shown in the margin were sent directly to Government, but not notified to the General Manager of the Factory as employer of the concern, and hence did not constitute an Industrial dispute under the provisions of the Industrial Disputes Act. However demands No.1, 5 and 6, where a dispute existed, these having been sent to the General Manager, were taken up for conciliation at the consent of both the parties. The representatives of the

1. Payment of 4 months Pay or wages as bonus for the employees of the Factory for the year 1952-53.
2. Introduction of Gratuity Scheme (one month's pay for every year of service).
3. House Rent allowance of Rs.5/- per month for each employee until such time the Management provides houses to the employees.
4. Payment of overtime wages due to the Transformer Section employees.
5. Deduction of As.8/- only in the rolls of the Factory towards the "Death Relief Fund."
6. Issue of "Provident Fund Pass Books" to the employees of the Factory.

of the Labour Association were however advised to send a notice of their demands in respect of items No.2, 3 and 4 as per the provisions of the Industrial Disputes Act, to the General Manager of the Factory.

2) Regarding Demand Nos.5 and 6, the Management agreed to deduct a sum of Annas 8/- only in the rolls of the Factory towards the "Death Relief Fund" on certain conditions as per details in the agreement and also agreed to issue Provident Fund cards instead of Pass Books and the representatives of the Labour Association also agreed to this. An agreement was therefore arrived at in respect of these two demands and a memorandum of agreement was drawn up and signed by both the parties. A copy of this agreement is enclosed herewith for kind information of Government.

3) Regarding Demand No.1 (Payment of 4 months pay or wages as Bonus), the representatives of the Labour Association contended that the total capital of the Factory according to them should be taken at Rs.40/- Lakhs, that depreciation should be charged only in respect of active machinery and not idle machinery, that it should not be charged on machinery on which depreciation has already been charged, that the rate of interest charged on profits should be at 4% only and not at 6% and thus according to them the profits would be to the tune of Rs.3 to 4 Lakhs and in consideration of this profit, they had made a modest demand for 4 months wages as bonus. The Management, on the other hand, contended that the capital should be construed as Rs.59,92,000, that the rate of interest was charged at 6% as per the decisions of the Labour Appellate Tribunal and depreciation has been charged not only on active machinery but idle machinery also to cover absolosis. The Management added that as per the audited statement of accounts, there was only a surplus profit of Rs.45,000/- and considering the wage bill of the Factory which came to Rs.45,000/-, one months wages as bonus could be given to the employees. In view of this difference of opinion, no compromise in regard to this demand for 4 months bonus was possible and therefore no settlement could be arrived at.

contd.)

arrived at. And hence this failure report. I suggest that this demand may be referred to the Industrial Tribunal for adjudication.

4) As regards other the demands viz., No.2 3 and 4 a notice of demand has since been issued by the Association to the General Manager of the Factory, a copy of which has also been received by me. A further conciliation will be taken up in respect of these demands and I shall send up a report to Government regarding the result of conciliation.

Yours faithfully,

(B.S. Puttaswamy)
Commissioner of Labour in
Mysore.

GSI/4-

GOVERNMENT OF MYSORE.
Department of Labour.

Office of the Conciliation Officer for Mysore State, No. 5, Infantry Road,
No.A5. C. /53-54. Dated, Bangalore, the 18th Decr. 1953.

MEMORANDUM OF SETTLEMENT.

The Industrial dispute between the workers and the Management of the Government Electric Factory, Bangalore, in respect of 6 demands, contained in the letter dated 3rd November 1953 of the President, Government Electric Factory Labour Union, Bangalore, was taken up for conciliation on the 17th and 18th December 1953 by the Conciliation Officer for Mysore State, under the Industrial Disputes Act, and a settlement was brought about in respect of demands No. 5 and 6 regarding deduction of Annas 8/- for death relief fund and issue of Provident fund Pass Books respectively, the terms of which are as follows:-

1. Deduction of Annas 8/- only in the rolls of the Factory towards the "Death Relief Fund.

Whenever the Executive Committee of the Association makes a request to the Management on the authority of a resolution passed by that Committee to deduct Annas 8/- from the wages of each member(employee) towards 'Death Relief Fund', the Management is agreeable to do so on the following conditions.

a) That it should not be inconsistent with the Payment of Wages Act,
b) That the Government authorises such deduction,
c) That the amount so collected is utilised for the purpose for which it is collected,
d) That the concerned employee has got the balance of wages after recovery of the amounts due to the Factory, and
e) That such deduction should not recur for more than once in a month.

The representatives of the Labour Association are agreeable to the above conditions.

2. Issue of Pass Books to the employees of the Factory.

The Management's representatives are agreeable to issue Provident fund cards instead of Pass Books within three months from the date of audit of accounts of the Factory of each year.

The representatives of the workers are agreeable to the above terms.

---

Representing the workers by the Govt. Electric Factory Labour Union.

1) Issac Manickam
2) [illegible]
3) T. S. Thodava Raj
4) C. Hanumantha Rao
5) [illegible]

Representing the Management of the Government Electric Factory.

1) M. Rajagopalachar

SIGNED BEFORE ME.

B. S. Pillaswamy
CONCILIATION OFFICER FOR MYSORE STATE.

3/-

Yo L.S. 7207/L.W. D. 12-2-54.

Gl & C.

Sir,

Subject:- Dispute between workers & management of the Govt Electric Factory, B'lore.

Reference:- your letter No. Ds: C. 4338-84/53-54 D. 18-1-54.

I am directed to invite reference to your letter referred to above and to request you to please send urgently the promised further report regarding the result of conciliation in respect of demands 2, 3, 4 of the Govt Electric Factory Labour Associatn.

Yours faithfully,

for Secretary to Govt
Labour Dept

Yo
12/2/54.

C. F. No. 45]

# GOVERNMENT OF MYSORE

Tele gram / phone

**OFFICE OF**
the Commissioner of Labour in Mysore,
No.5 Infantry Road, Bangalore,

No. A.5/C.1438-P.R.194/53-54.
Encls.

Date ~~22nd~~ 24 February 1954.

SECRETARY TO GOVERNMENT * LAW DEPARTMENT 24 FEB 1954

MYSORE GOVT. SECRETARIAT 627 24 FEB 1954 LABOUR BRANCH

To

The Secretary to Government of Mysore,
Law Department, B A N G A L O R E.

Sir,

Subject: Dispute between the workers and management of the Government Electric Factory, Bangalore. -

---

Referring to your letter No. L.S.7207/L.W. Dated 12-2-1954 asking me to send the promised further report regarding the result of conciliation, I write to state that the points of dispute that remain consideration are :--

Demand No.2. Introduction of Gratuity scheme (one month's pay for every year of service);

" 3. House rent allowance of Rs.5/-/- p.m. for each employee until such time the Management provides houses for the employees.;

" 4. Payment of overtime wages due to the Transformer section employees.

As already pointed out by me in my report of even No. dated the 18th January 1954, these above demands were not put forth by the Association before the Management and their views obtained. Unless a demand is made and rejected by the management, there can be no dispute under the provisions of the Industrial Disputes Act. On pointing out this defect to the representatives of the Association at the time of my last conciliation, the representatives of the Association wrote to the management on these three issues as pointed out in my last paragraph of my letter dated 18th January 1954.

Since the management's views have not yet been received, ~~it has been not yet been received~~, it has not been possible to take up conciliations in respect of these demands. I have however instructed the Assistant Commissioner of Labour, Bangalore, to take up conciliations when the dispute becomes ripe.

Yours faithfully,

B S Puttaswamy

( B. S. Puttaswamy )
Commissioner of Labour in Mysore.

Rao)

GOVERNMENT OF MYSORE.
(Department of Labour)

Office of the Commissioner of Labour
in Mysore, No.5, Infantry Road,

No.A5/C.1438-P.R.194/53-54 Bangalore-1, dated the 28th August'1954

Encl : one

To

The Secretary to Government of Mysore,
Law Department, BANGALORE.

SECRETARY TO GOVERNMENT * LAW DEPARTMENT * 1954

MYSORE GOVT. SECRETARIAT NO. 3539 9 SEP 1954 LABOUR BRANCH

Subject:- Dispute between the workers and Management of the Government Electric Factory, Bangalore.

------oOo------

1) With reference to your letter No.L.S.7848/L.W. dated 9-3-1954 and subsequent reminder dated 29th June 1954 thereon on the above subject, I write to state that as already reported in my letter of even No. dated 24-2-1954 that the representatives of the Association had put forth the following 3 demands before the Assistant Commissioner of Labour and Conciliation Officer.

2. Introduction of Gratuity scheme (one months pay for every year of service);

3. House Rent allowance of Rs.5/- p.m. for each employee until such time the Management; provides houses for the employees.

4. Payment of overtime wages due to the transformer employees.

2) The Assistant Commissioner of Labour has since reported that the demand regarding house rent allowance does not form a part of the dispute in view of the matter having already been adjudicated upon by the Industrial Tribunal, that the question of overtime wages could be dealt with under the provisions of the Factories Act and that the demand about the Introduction of Gratuity scheme is under the active consideration of the Management. I send herein enclosed copies of his reports dated 1-3-1954 and 9-8-1954. Under the circumstances reported by the Assistant Commissioner of Labour, these 3 points of dispute do not admit of being conciliated upon, and the matter may have to be left for the present.

Yours faithfully,

(MOHAMED RAHMATHULLA
Commissioner of Labour.

Pole/2

cs. 1/8/54

Copy of the letter No.1390/54-55 dated 9th August 1954 from the Assistant Commissioner of Labour, Bangalore Division, to the Commissioner of Labour in Mysore, Bangalore.

---

Subject:- Dispute between the Management and workers of Govt. Electric Factory, Bangalore.

---

With reference to your letter No.A5/C.1438/PR.194/53-54 dated 6-8-54 on the above subject, I write to furnish below the result of the adjudication by the Industrial Tribunal as published by Government on page 826 of the Mysore Gazette dated 17-9-53.

"On the 11th issue therefore, we hold that what is recorded under Demand No.7 does not amount to an agreement to provide housing facilities immediately, and that the l party is not entitled to any compensation in the shape of housing allowance in lieu of housing facilities.

Yours faithfully,

Sd/- I.Nagappa,
Asst. Commissioner of Labour
Bangalore Division.

---

Copy of the letter No. /53-54 dated 1st March 1954 from the Asst. Commissioner of Labour, Bangalore Division, to the Commissioner of Labour in Mysore, Bangalore.

---

Subject:- Dispute between the Management and workers of Government Electric Factory, Bangalore.

---

In continuation of my letter No.2590/53-54 dated 3-2-54 on the above subject, I write to state that the demand re: house rent allowance may not form a point of dispute in view of Section 19 of the Industrial Disputes Act as the matter has already been adjudicated upon by the Industrial Tribunal. As regards payment of overtime wages to the - Chamber operators of the Transform Department for the back period, this claim is a belated one. Further, it is a question of enforcement of the provisions of Factories Act, and as such, I am of the opinion that this point may also not form a point for dispute for purposes of Industrial Dispute Act. With regards to restoration of allowances of certain employees of the Factory, the General Manager has stated that the additional reasons for the grant of allowances existed no longer. Unless a prima facie case is made out by the workers for justification of this claim for allowances, this point also may not form a point of dispute. As regards the scheme of giving gratuity based on serviee, the same is stated to be under cosideration of the Management. Further, the scheme can be introduced only after due approval of the Government after taking all factors into consideration. However, the Management have reported that every effort would be made to expedite the decision in the matter In the circumstance, it is for kind consideration whether it is desirable to take up this matter for conciliation at present.

Yours faithfully,

Sd/- I.NAGAPPA,
Asst. Commissioner of Labour,
Bangalore Division.

"Copy"

C. Srikantia

C. Srikantia)
For Commissioner of Labour i n Mysore.

Pole/2 28/8

No. L.S. 10254/Lab. dt. 21/8/58

To,

The Lab Comr

Sir.

Sub: Dispute between the workers & Management of the Govt Electric Factory, Bldrs.

With reference to Correspondence ending with your letter No A5/c. 1438-PR/193/53-54, dated 28th Augt 1954 on the above Subject, I am directed to request you kindly to meet the Hon'ble Dy for L & E for a discussion on the Subject at convenient to the Hon'ble The date and time/ of the meeting may please be ascertained from the P.A. to the Hon'ble.

Y.F.

Law Secy 19.3.55

Lab 18/3

Copy to the P.A. to the Hon'ble Dy for L & E.

# GOVERNMENT OF MYSORE

IMMEDIATE

Mysore Government Secretariat,

No. L.S. 10254 /L.W.

*Dated, Bangalore,* 24.....MARCH.. ...*195* 5.

FROM

The *Secretary to the Government of Mysore,*
LAW DEPARTMENT.

To

The Commissioner of Labour in Mysore,
B a n g a l o r e.

S i r,

SUBJECT :- Dispute between the workers and Management of the Government Electric Factory, Bangalore.

---

With reference to correspondence ending with your letter No.A5/C.1438-P.R/193/53-54 dated 28th August 1954 on the above subject, I am directed to request you kindly to meet the Minister for Law & Education for a discussion on the subject. The date and time convenient to the Minister for the meeting may please be ascertained from the Personal Assistant to the Minister.

Yours faithfully,

Sd/- K. M. Ramakrishnaiya

( K. M. RAMAKRISHNAIYA )

FOR SECRETARY TO GOVERNMENT
LAW DEPARTMENT

Copy to the Personal Assistant to the Minister for Law & Education, for information.

CPG/3.

GOVERNMENT OF MYSORE.

Development Department.

G.O.No.I.5262-9-Ind.38-54-18 dated 16-3-55

---

Bonus in Government Industrial Concerns.

Approves the rules regulating the grant of - including the Mysore Iron and Steel Works.

==========

ORDER NO.I.5262-9 - Ind.38-54-18, DATED, BANGALORE, THE 16TH MARCH 1955.

It has been the practice to pay bonus to the employees of Government Industrial Concerns in the State after the last World War; and these payments are now regulated with reference to certain general working principles. The need for continuing the system of payment of bonus was considered by the Board of Management of Industrial Concerns and also by the Board of Management of the Mysore Iron and Steel Works and the proposals of the Boards were examined in great detail by a Special Sub-Committee (appointed by the Standing Committee for Industries and Commerce Department) under the Chairmanship of Sri A. Bheemappa Naik, in the early part of 1952. This Sub-Committee made certain recommendations and suggested for adoption certain basic principles to be followed in the grant of bonus.

Meanwhile, the Accountant General, Mysore, while seeking orders on the proposed general principles to be followed in respect of payment of bonus pointed out the changed procedure in the accounting system of Government Industrial Concerns and also desired to know whether the system of distributing profit bonus to the employees of the Mysore Iron and Steel Works should be continued in addition to the concession of paying Retiring Gratuity sanctioned in Government Order No.I.1782-86-I.W.33-51-2, dated 7th September 1953.

The whole matter was further examined in detail by a Special Committee consisting of the officers noted below in October 1954. The Committee have suggested that a uniform procedure should be adopted in this behalf for all Government Industrial Concerns including the Mysore Iron and Steel Works and have recommended the following rules to regulate the payment of bonus in Government Industrial Concerns:-

1. The Chief Secretary to Government,
2. The Secretary to Government, Finance Department,
3. The Secretary to Government, Development Department,
4. The Director of Industries and Commerce,
5. The Additional Director of Industries and Commerce,
6. The Vice-Chairman and Director, Mysore Iron & Steel Works,
7. The Director, Rural Industrialisation,
8. The Commissioner of Labour.

(1) No bonus will be paid if the net profit is below 5 per cent on the Capital.

(2) A bonus of 1/12th of the total earnings in the year exclusive of allowances and other deductions enumerated below may be paid in the case of concerns earning a net profit of 5 per cent and above but not exceeding 10 per cent.

(3) A bonus of 1/6th of the total earnings during the year exclusive of allowances and other deductions enumerated below may be paid in the case of concerns earning a net profit exceeding 10 per cent.

(4) In no case will there be a grant of bonus exceeding 1/6th of the total earnings in the year in respect of any Government Industrial Concern inclusive of the Mysore Iron and Steel Works, Bhadravati.

(5) Bonus may be calculated on the employees earnings during the year exlusive of dearness allowance, bonus or other allowances, but inclusive of only acting and/or charge allowances in addition to the basic pay or wages.

-2-

(6) Bonus will be paid only to those employees who are on the rolls of the concern on the 1st April following the official year to which the payment of bonus relates, and who have worked for not less than six months in that year.

(7) Proportionate bonus for the period of service rendered may be paid in the following cases:-

(a) those who have been transferred from one concern to another;
(b) those who have retired;
(c) those who have been retrenched or whose services are terminated;
(d) those who died while in service; and
(e) those whose resignations have been accepted during the year.

N.B.: Those who are dismissed for misconduct or for any other valid reasons are not entitled for any bonus.

After a careful examination of the matter, Government generally agree with the recommendations of the Special Committee. The rules governing the payment of bonus to the employees of the Industrial Concerns including Mysore Iron and Steel Works as indicated above are accordingly approved. The payment of Retiring Gratuity and Production and Good Attendance bonus introduced in the Mysore Iron and Steel Works may also be continued as heretofore as per existing orders. The following instructions should also be borne in mind by the concerns while determining the net profit and bonus to be granted:-

(1) Net profits should form the basis on which the bonus is to be granted.

(2) Interest at 4 per cent or such other rate as may be fixed by Government from time to time on capital invested should be deducted from the profits.

(3) Accounting and audit charges incurred by the concern should be fully deducted from the profits.

(4) Depreciation and Rehabilitation charges should be deducted and these deductions may be shown under a revised nomenclature "Depreciation and Rehabilitation charges" if so advised by the Accountant General. The 'fixed instalment system' in practice in Government Commercial Concerns may be continued.

(5) Appropriation for General Reserve should be deducted, the amount of provision to be made each year being determined with reference to the requirements of each concern.

The amounts provided for Depreciation, Rehabilitation, General Reserve, etc., should be suitably invested so as to earn some interest, in consultation with the Accountant General.

(6) The net profit arrived at after making the above deductions may be taken into consideration for grant of bonus, if any.

(7) Bonus is not payable to employees who are entitled to pension under M.S.R. and whose services are lent to the concern.

The above rules and instructions governing the payment of bonus in Government Industrial Concerns will take effect from the year 1954-55 and not retrospectively.

The Heads of Departments in charge of Government Industrial Concerns including the Mysore Iron and Steel Works will take necessary action to give effect to these orders.

R.J.REGO,
Secretary to Government,
Development Department.

No. /dated 15th April 1955

Copy to all the General Managers of Government Industrial Concerns.

(T.Hanumiah)
SECRETARY,
Board of Management for
Industrial Concerns.

nbs.

743/I
19 MAY 1955

Ind. 7-55-1

DEPARTMENT OF INDUSTRIES & COMMERCE.

Ref. No. G.A.F. 698/5586 **IMMEDIATE** . . Office of the Director,

encl 1

Bangalore-1, Dated, 17th May 1955.

The Secretary to Government,
Development Department,
Bangalore-1.

SECRETARY DEVELOPMENT DEPT. GOVT. OF MYSORE

Sir,

Sub: Appeal filed by the Government Electric Factory Labour Union against the Award of the Industrial Tribunal, Bangalore regarding Bonus for 1949-50, 1950-51 and 1951-52.

---

The above Appeal came up for hearing before the Labour Appellate Tribunal of India at Madras on 19.4.55 and the appeal was adjourned without the next hearing date being fixed as the Counsel for the Labour Union applied for an adjournment on the ground that attempts will be made to effect a compromise. Intimation has been received from the Labour Appellate Tribunal of India at Madras that the above appeal will be heard at Madras on 25.5.1955. Government have already passed orders that the Advocate-General will conduct the case on behalf of the Management. During the previous hearing of the appeal at Madras on 19.4.1955 the Assistant Advocate-General appeared as per instructions of the Law Department as the Advocate-General was away at Delhi in connection with some other Government work. As per orders of Government the General Manager accompanied by the Chief Accountant and Administrative Assistant of the factory were present at the hearing to give necessary instructions on behalf of the Management.

I request you kindly to obtain and communicate early sanction of Government on or before 22-5-1955 for the deputation of the General Manager to Madras on the date of hearing

of the above appeal on 25.5.1955 along with the Chief Accountant and the Administrative Assistant to give necessary instructions on behalf of the Management and to meet the travelling expenses, D.A. and T.A. which may not exceed Rs.300/- out of the revenue funds of the factory.

We also request that the Advocate General may kindly be intimated through the Law Department about the hearing of the appeal at Madras on 25.5.1955 in order that he may represent the case of the Management before the Labour Appellate Tribunal.

A copy of the intimation received from the Labour Appellate Tribunal at Madras regarding the posting of the above appeal for hearing on 25.5.55 is enclosed for the information of Government.

Yours faithfully,

for

(T. T. Srinivasan) 18/5/55

Additional Director of Industries and Commerce. 18/5

Encl: One copy of notice.

18/5

18/5

IN THE HONOURABLE LABOUR APPELLATE-TRIBUNAL
OF INDIA.

MADRAS.

III 505/53.

The Govt. Electric Factory Labour Association,
Bangalore. Appellants.

Versus

The Management of the Govt. Electric Factory, Bangaloore.

Respondents.

TAKE NOTICE THAT the above mentioned Appeal has been fixed for 25.5.55 for hearing at 2/8, Hunters Road, Vepery, Madras at 11 a.m.

If no appearance is made by you or on your behalf on the date fixed the matter will be disposed of in your absence.

BY ORDER OF THE TRIBUNAL.

Sd/- x x

Asst. REGISTRAR.
LABOUR APPELLATE TRIBUNAL OF INDIA, MADRAS

No.III 505/53/476.

Labour Appellate Tribunal of India,
2/8, Hunters Road, Vepery, Madras.

The 12th May 1955.

To The Management of the Govt. Electric Factory,
Bangalore.

"True Copy"

M. Raghavachar

Dt.16.5.55.
HSK.

(A.V. Raghavachar)
General Manager.

Proceedings Ind. T-55-2

Read: Letter No. C.E.F 698 dt 17-5-55 from the Addl Dir I & C in Mysore requesting sanction stating that the appeals filed by the C.E.F. Labour Union against the award of the 2 before the Labour Appellate Tribunal of India against the award of the Industrial Tribunal, Bangalore re their claims for bonus for the years 1950-51 and 1951-52 has been posted for hearing at 2/8 Hunters Road, Vepery, Madras, on 25-5-55 and requesting sanction to depute the C.M., the Chief Accountant and the Administrative Assistant of the C.E.F. to Madras for the on that date or such other date to which it may be posted to represent the factory and to meet the Travelling expenses (up to a limit of Rs 300/- only) of these Officers as also of the Advocate General from the revenue funds of the factory.

Order No. T 602-3/Ind T-55-2
dt 20/5/55
Sanctioned

for DS
By

To 1) The Addl Dir I &
2) " A.C. Mercara II

Appendix F.G—1]

SUBJECT.....

.....

.....

Section

File No,

Serial No.

No,

*Diary No. of letter replied to* .....

To

General and Revenue Secretariat

( )

*the* *195*

Date of issue .....

Signed by ... .....

List of enclosures .... ..... ..... .....

Copied by ..... ..... ..... .....

Examined by .....

WD 01416—GPB—30,000—11-10-52

16/176

938/I
4 JUN 1955
INDUSTRIES DEPT.

DEPARTMENT OF INDUSTRIES & COMMERCE.

No. 892/155-56. IMMEDIATE

Office of the Director,

Bangalore-1, D/31st May'55.

2-6.

SECRETARY DEVELOPMENT DEPARTMENT
2 JUN 1955
Government of Mysore

The Secretary to Government,

Development Department,

Bangalore-1.

Sir,

Sub: Appeal filed by the Govt. Electric Factory Labour Union against the Award of the Industrial Tribunal, Bangalore regarding Bonus for 1949-50, 1950-51 and 1951-52.

---

Further to ~~xxx~~ my letter No.700 dated addressed to you on the above subject, I wish to state that the above appeal came up for hearing before the Labour Appellate Tribunal at Madras on 25.5.55. The Advocate-General appeared on behalf of the Management and the General Manager accompanied by the Chief Accountant and the Administrative Assistant of the factory were present at the hearing as on the previous occasions for giving necessary instructions on behalf of the Management.

The Counsel for the Labour Union moved for an adjournment of the appeal on the ground that fresh efforts will be made to arrive at an amicable settlement. The Advocate-General said that he has no objection for an adjournment being granted with a view to explore the possibilities of an amicable settlement very early. The appeal was accordingly adjourned to 15.6.55.

In the circumstances stated above, I request you kindly to obtain and communicate the early sanction of

p.t.o.

Government for the undermentioned proposals:-

1. To depute the Advocate-General in Mysore with the assistance of the General Manager, to explore the possibilities of an amicable settlement out of Court of the above appeal and report proposals for settlement if any for the approval of the Government sufficiently early before the next hearing date, viz., 15.6.55 and (2) if no report is received regarding amicable settlement, to authorise the deputation of the General Manager to Madras along with the Chief Accountant and the Administrative Assistant to give instructions on behalf of the Management to the Advocate-General during the hearing of the appeal on 15.6.55 and also during subsequent stages and to meet the travelling expenses - D.A. and T.A. of the General Manager and the officers accompanying him from out of the revenue funds of the factory. The expenses are likely to amount to Rs.400/-; and

3. For the Advocate-General to be present before the Labour Appellate Tribunal at Madras on 15.6.55 and during the subsequent hearings if the case is amicable settlement is arrived at, the Advocate-General being intimated through the Law Department as usual.

Yours faithfully,

(V. Shivarama)
Additional Director of Industries & Commerce in Mysore.

H.K.

31/5

Telegrams :—"INDUSCOM"

GOVERNMENT OF MYSORE

Phone No. Office : 2311

SRI T. SHAMANNA, I.A.S.
*Additional Director of*
*Industries and Commerce.*

BANGALORE-1,
*Dated* 9th June 1955.

Ind. 9-5-5-3

SECRETARY DEVELOPMENT DEPARTMENT 9 JUN 1955 Government of Mysore

No.A2-GEF./55-56. STRICTLY CONFIDENTIAL

GENERAL & SERVICES SECTION 1030/H 9 JUN 1955 INDUSTRIES BRANCH

THE SECRETARY TO GOVERNMENT,
DEVELOPMENT DEPARTMENT,
BANGALORE.

Sir,

SUBJECT: Appeal of the Government Electric Factory Labour Union before the Labour Appellate Tribunal, Madras Bench - Payment of Bonus.

*****

In my letter No.892/55-56 dated 31st May 1955/2nd June 1955 I have sought sanction of Government for my proposal to empower the Advocate-General in Mysore and the General Manager of the Factory to explore the possibilities of an amicable settlement out of Court of the above Appeal. In view of the importance of the question and the very short time available to us before the 15th instant for conducting negotiations, I thought it both desirable and necessary that I should personally move in the matter.

2 Accordingly an informal meeting was held this morning in the premises of the Government Electric Factory with the office bearers of the Labour Association and the Officers concerned of the Factory including the General Manager. A detailed note prepared by the General Manager is enclosed herein for the information of Government.

3 I have also received to-day a letter No.1516/Law. 19-55-4 dated the 7th June 1955 (copy enclosed) from the Secretary to Government, Law Department, Bangalore, enclosing therein copies of letter dated 2nd June 1955 from Sri. G. V. Ramachar, B.A., LL.B., addressed to the Advocate-General and letter No.173 dated 2nd June 1955 from the Advocate-General to the Secretary to Government, Law Department, Bangalore. It may be seen from the letter of the Advocate-General that he is in favour of the dispute being settled out of court.

4 The ultimate demand of the Labour Association was for payment of bonus of 6 month's pay (in addition to the one month's bonus which has already been paid for the year 1951-52) for the 6 years from

1949-50 to 1954-55 both inclusive. After considerable discussion a final offer was made on behalf of the Management, subject to the consideration and approval of Government, that 5 month's bonus inclusive of the bonus of one month already paid in respect of the year 1951-52 would be given. This offer was based on the existing orders of Government in regard to the payment of bonus, according to which one month's bonus for each of the years 1952-53 and 1953-54 is payable. From the provisional figures furnished by the General Manager, it may be expected that the return during the year 1954-55 would be nearly 10% and therefore payment of two month's bonus for this year does not appear to be unreasonable. Therefore the offer means that bonus of one month's pay would be paid for each of the years 1952-53 and 1953-54 and two month's bonus for the year 1954-55 which is justifiable having regard to the amounts of profits earned during the respective years. The demand put forward by the representatives of the Labour Association was in the nature of a package proposal for the entire period of six years without going into a year-to-year analysis and offer of 5 month's bonus made on behalf of the Management was in the same spirit. The bonus would be calculated in the following manner:

| | | |
|---|---|---|
| 1. For 1951-52 | ... | One month's bonus already paid as per Award. |
| 2. " 1952-53 | ... | One month's bonus based on that year's wages and according to the usual conditions |
| 3. " 1953-54 | .... | One month's bonus based on that year's wages according to the usual conditions. |
| 4. " 1954-55 | ... | Two month's bonus based on that year's wages according to the usual rules. |

5 We are on the threshold of implementing a scheme for large scale expansion of the Factory and undertaking development work of a far-reaching nature. It is essential that we have the goodwill and co-operation of the labour to the maximum extent possible in these schemes.

6 Apart from the merits of the case which would be decided on in the Courts of Law in the usual course, the ultimate decisions are bound to leave a trace of bitterness and rancour in the minds of labour even if they lose their case. In to-day's circumstances the relationship between the Management and Labour should be shorn of any such feeling. I presume that this is also at the back of the mind of the Advocate-General when he makes the suggestion for a settlement out of Court.

It is my considered opinion therefore that in the circumstances of the case the proposal to pay the labour five month's bonus, - - inclusive of one month's bonus already paid to them, on the basis indicated above and to settle the matter out of Court is quite reasonable and I request you kindly to obtain the approval of the Government to the same and communicate their orders immediately.

8 I also suggest that orders of Government may be communicated to the Advocate-General through the Secretary to Government, Law Department, so that he may prepare the necessary papers for submission to the Tribunal before the date of hearing Viz., 15th June 1955.

Yours faithfully,

(T.SHAMANNA.)
Additional Director of
Industries & Commerce.

TS:bvs.

GOVERNMENT ELECTRIC FACTORY.

Ref.No.GM/ADIC/ /55-56

STRICTLY CONFIDENTIAL: Bangalore-2,

Dated, 8th June'55.

Submitted to the Additional Director of Industries & Commerce in Mysore (Concerns):-

Subject: Payment of Bonus.

The question of bonus has been a matter of serious dispute between the Labour Union of this factory and the Management since the last six years. Payment of bonus relating to the 3 years 1949-50, 1950-51 and 1951-52 forms the subject matter of a dispute which was decided by the Industrial Tribunal, Bangalore in favour of the workers by the Award of a Bonus equal to one month's wages for the year 1951-52 only, against the claim of the workers for 7 months. In their Award, the Tribunal also stated that no Bonus was payable for the years in which loss had been sustained by the factory, viz., 1949-50, and 1950-51. The workers not being satisfied with this decision, went up on appeal to the Appellate Tribunal of India and the case is now pending.

The Labour Appellate Tribunal, Madras posted the case for hearing on 19.4.55 and 25.5.55. On both these days, the Counsel for the Labour Union requested for an adjournment so as to explore avenues for settling the case out of court. This was agreed to by the Advocate-General appearing on behalf of the Management. Ref. No.892 of 31.5/2.6.1955 addressed to the Secretary to Government, Development Department refers.

To consider this question, an informal meeting was held to-day the 8th inst., in the premises of the Government Electric Factory consisting of the representatives of the Labour Union - Sri Isaac Manickam, President, Sri N. Madhava Rao, Secretary and Sri Venkataraman, Vice-President and the Additional Director, General Manager and other officers of the factory. The Labour Union representatives stated that they would prefer the bonus question to be settled once for all not only for the 3 years now pending in the Court but also in respect of the 3 subsequent years ending with 1954-1955 (the accounts for ~~which~~ the last year have just been closed). They stated that their demand was for six months for the whole period of 6 years inclusive of one month's bonus already paid to them for 1951-52. After considerable discussion, an offer was made on

p.t.o.

behalf of the Management, subject to approval of Government, of five months bonus inclusive of one month already paid.

The Bonus, if approved, is to be calculated in the following manner:-

| | | |
|---|---|---|
| 1. For 1951-'52 | .. | One month's bonus already paid as per Award. |
| 2. " 1952-'53. | .. | One month's bonus based on that year's wages and according to the usual conditions. |
| 3. " 1953-'54 | .. | One month's bonus based on that year's wages according to the usual conditions. |
| 4. " 1954-'55 | .. | One month's bonus based on that year's wages according to the usual rules. |
| " -do- | .. | An extra month's bonus. |

Sl.No.1: This is as per the Award of the Industrial Tribunal and has been approved by Govt. in their order No.I.2343-E1-Ind.77-53d/ 23.10.53.

Sl.No.2:- The Concern has made a profit of more than 5% and as per the rules issued by Govt. for payment of Bonus, the workers are entitled to one month's wages.

Sl.No.3:- The Concern has made a profit of more than 5% and as per the rules issued by Govt. for payment of Bonus, the workers are entitled to one month's wages.

Sl.No.4:- This has been a very good year with record sales and also considerable profit amounting to Rs.4,03,197-11-4 (made up of Rs.3,25,609-4.4 Net Profit and Rs.1,37,588-7-0 being the interest on capital). Strictly speaking the workers may be entitled to one month's bonus but by way of an amicable settlement and in view of the payment of bonus having been deferred for the last five years and in order to create a favourable atmosphere for implementing the several Development Schemes which the factory has in hand in collaboration with A.E.G., an extra month's wages as bonus is proposed. It may be noted incidentally that the return on capital during the year has been very nearly 10%.

The Labour Union officials accepted this arrangement and the compromise agreement arrived at in this manner through your good offices may kindly be reported to Government for their approval. If approved, the Advocate-General who is appearing for the Management may be asked to file, in consultation with the Counsel for the Labour Union a joint petition reporting the settlement of the

matter on these lines. As the case is posted to 15th of this month, it is requested that immediate action be taken in this matter.

The accounts for these six years have been detailed in the sub-joined abstract statement. The expenditure involved in the payment of bonus for four months amounting to Rs.2.2 lakhs is proposed to be met by re-appropriation from the Budget Grants of Rs.30,00,000/- sanctioned under "Raw Materials", for this year. This will in no way affect the working of the Concern. It was expected that the A.E.G. Scheme would be implemented from the beginning of this year alone but as it is seen that it will take some more time and 3 months have nearly elapsed, the above provision can be safely re-allocated.

Another matter which has been raised as an ancillary to this dispute has been the question of payment of wages to the two office bearers of the Union who have attended the hearing of the Appellate Tribunal at Madras. They have represented that the privilege of payment of wages has been extended to them when they attended the sittings of the Industrial Tribunal at Bangalore and this may be continued also in the case of the hearings at Madras. In view of the spirit of ~~responsive~~ co-operation exhibited by the Labour, it is recommended that special leave be granted to them with pay for the days of absence, entailed by their attending the Tribunal during the previous years and also in future, if necessary. This will close the entire chapter and the dispute will be taken out of court and settled amicably opening up a new vista for the future of the factory pregnant with immense opportunities for development.

M. Raghavachar
(A.V. Raghavachar)
General Manager.

AVR/HSK.

Encl: One Abstract Statement.

## GOVERNMENT ELECTRIC FACTORY, BANGALORE-2.

| Year | Provisions made. | Profit or loss including Interest on capital. | Net Profit. | Interest on Capital | Bonus paid | Capital. | percentage of profit including interest. |
|---|---|---|---|---|---|---|---|
| 1949-50 ( 9 months) | - | Loss: Rs.73,110-12- 6 | Loss:Rs.73,110-12-6 | - | - | 58,60,752- 5-2 | nearly 1.3% loss. |
| 1950-51. | - | " " 47,278- 4- 5 | " " 47,278- 4-5 | - | - | 55,62,021- 9-8 | nearly .9% loss. |
| 1951-52 | Rs.1,24,793- 8-0 " 65,000- 0-0 | Profit" 55,648-11- 9 | Profit" 55,648-11-9 | - | 46,613-6-0 | 64,66,797-13-11 | nearly 3.8% profit. |
| 1952-53 | - | " "4,02,433- 2- 6 | " 1,64,628- 1-6 | 2,37,805-0 | - - | 54,23,489-14-10 | 7.5% profit. |
| 1953-54 | - | " "3,20,537-15- 3 | " 1,34,446- 6-3 | 1,86,091-0 | - - | 52,36,937- 8-10 | 6.5% profit. |
| 1954-55 (Provisional) | - | " "4,63,197-11- 4 | " 3,25,609- 4-4 | 1,37,588-0 | - - | 43,94,741-13- 1* | 10% approx. |

* per recent G.O. the closing capital is arrived at Rs.70,00,321-11-7 adding the unsurrendered profits, reserves etc.

Bangalore-2,
dt.8th June'55. HSK.

M. Raghavachar
(A.V. Raghavachar)
General Manager.

Copy of letter No.1516/Law.19-55-4 dated the 7th June 1955 from the Secretary to Government, Law Department, Bangalore, to the Additional Director of Industries and Commerce in Mysore, Bangalore.

---

Subj:- Appeal of the Government Electric Factory Labour Union before the Labour Appellate Tribunal, Madras Bench.

--

In continuation of the Government Order No.197-200/LAW. 19-55-2 dated 15th April 1955 on the above subject, I am directed to forward herewith a copy of the letter No.173 dated 2nd June 1955 received from the Advocate-General together with a copy of the letter dated 2nd June 1955 addressed by the Advocate for the Labour Union, and to request you kindly to furnish your views in the matter before 9th June 1955, as a reply has to be sent to the Advocate-General before the next date of hearing i.e., 15th June 1955.

This may be treated as urgent.

****

Copy of the letter No.173 dated 2nd June 1955 from the Advocate-General in Mysore, Bangalore to the Secretary to Government, Law Department, Bangalore.

---

Subj:- Appeal of the Government Electric Factory Labour Union before the Labour Appellate Tribunal, Madras Bench.

---

I am forwarding herewith a copy of the letter of even date addressed to me by the Advocate for the Labour Union suggesting terms of settlement. I request that the suggestions may be considered by Government and their decision communicated well before the next date of hearing, i.e., 15-6-1955.

I may also add that two other appeals relating to the same factory have already been settled and one of them involved very heavy stakes. I am given to understand that the amicable settlement has had a good effect on the working of the factory.

It appears to me that the present dispute also is capable of being settled out of court.

****

Copy of letter dated 2nd June 1955 from Sri.G.V.Ramachar, B.A.,LL.B., Advocate, Chickpet, Bangalore 2.

--

Re: Govt. Electric Factory Appeal pending before the All India Labour Appellate Tribunal of India, Madras.
Subj: B o n u s.

---

Disputes exist between the Management and the workmen regarding bonus for the year 1949-50, 1950-51, 1951-52, 1952-53, 1953-54 and 1954-55.

When the appeal came up for hearing at Madras the Labour Appellate Tribunal threw a suggestion - whether we could bring out Industrial peace by settling the claims up-to-date.

With a view to create a cordial atmosphere and also in the interests of both the industry and the concerned workmen a fair solution of the question seems desirable.

I find that taking the Balance Sheets of all the years above mentioned the Management has not only made up the losses of the years 1949-50, 1950-51 but have been able to obtain a total Net Profit of Rs.6,24,000/- and odd. One need not take into consideration the benefit derived by the Management in charging depreciation on idle machinery which may amount at least Rs.10,000/- per year. I have not also taken into consideration the unauthorised and excessive reserve of Rs.9,00,000/- found in the Balance Sheet of 1951-52.

May I suggest for kind consideration of your clients that the parties do agree that a sum of Rs.3,00,000/- be distributed as Bonus for all the years and the Management will still be left with Rs.3,24,000/- for their benefit.

p.t.o.

I believe the suggestion above stated will give a workable solution of the disputes between the parties. I request you to consult your clients in this behalf and let me know the result. I need not remind you the appeal has been posted to 15-6-1955 for reporting a settlement if possible.

Thanking you.

---

"Copy"

(K. CHAMANNA)
Additional Director of
Industries & Commerce.

8/6/55

hvs.

Proceedings

— Ind. 7-5-5-4

~~Claim No.~~

Read: Correspondence with letter No A2-C.E.F./55-56 dt 9-6-55 from the Additional Dir I & C. re: the Appeal preferred by the C.E.E Labour Union before the Labour Appellate Tribunal, Madras Bench in re: ~~to their Bonus~~ claims for the 50-51, 51-52 and also ~~the year 1949-50, to 1954-55~~ and also in regard to their claims for the subsequent years upto 54-55 inclusive:

Order No.

~~For the years 1952-53~~ 1953-54 ~~etc~~ and 1954-55 Govt will have to pay one month's bonus ~~for each year under the Rule~~ ~~Two~~ as Bonus equal to one month's pay has already been paid to the workers of the C.E.F. for the year 51-52. With a view to keep the relationship between the Labour and the Management of this Factory healthy on a healthy and enduring bases, and with a view to settle this long standing dispute, bonus equal to two months ~~for 1953-54 as a special case~~ for 1954-55 pay is sanctioned to the workers the Factory ~~as a special~~

bonus equal to one month's pay for the years 1952-53 & 1953-54 and

The representatives of the G.E.F. Labour Union have agreed not to withdraw the appeal and accept four months' pay or wages, as shown in the final settlement of this dispute, instead of four months wages, i.e. two months as shown are one month each for 1952-53 and 1953-54 and two months wages for 1954-55 may be paid to them immediately, subject to the usual conditions governing the grant of bonus to industrial concerns during those years.

The Advocate-General is requested to take necessary further action in re: the pending appeal.

for DS

To
1) The Addl Dir I & E
2) " Secy Power
3) " Advocate General.
4) " A.G. through Min'ty.

155/21/7.

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read:-

Correspondence ending with letter No. A2-GEF/55-56 dated 9-6-1955 from the Additional Director of Industries and Commerce regarding the Appeal preferred by the Government Electric Factory Labour Union before the ~~Salem~~ Labour ~~Trxix~~ Appellate Tribunal, Madras Bench, in regard to their Bonus claims for the years 1949-50, 50-51 and 51-52 and also in regard to their claims for the subsequent years upto 54-55 inclusive.

ORDER No. ~~I~~ 1875-81 Secl 7-55-4

BANGALORE, DATED 21-51 JULY 1955.

Bonus equal to one month's pay has already been paid to the workers of the Government Electric Factory for the year 19 51-52. With a view to ~~keep the relationship between the Labour and the Management of this Factory on a healthy and enduring basis and with a view~~ to settle this long standing dispute, bonus equal to one month's pay for each of the years 1952-53 and 1953-54 and bonus equal to two months' pay as a special case for 1954-55 is sanctioned to the workers of the Factory. The representatives of the G.E.F. Labour Union have agreed ~~not~~ to withdraw the appeal pending before the L.A. Tribunal and to accept four months' pay or wages, ~~as above~~ in full and final settlement of their claims for these years.

in addition to one month's pay already paid as bonus,

Bonus as above may be paid to them ~~immediately~~ Workers subject to the ~~other terms~~ usual conditions governing the grant of bonus to workers in Government Industrial Concerns.

The Advocate General is requested to take necessary further action in regard to the pending appeal.

Secretary to Government,
Development Department.

The Additional Director of I & C.
The Secretary, B.M.I.C.
The Advocate-General, Bangalore.
The Accountant-General, thro' F.D.

574.

OFFICE OF THE ACCOUNTANT GENERAL,
MYSORE,

Rxx. No. 323. B.O.A3, 7B/55-6 *Bangalore, dated* 30th August *1955.*

To

The Secretary to the Government of Mysore,
Development Department, Bangalore.

2363/I
2 SEP 1955

Sir,

Subject: Payment of Bonus to the employees of the Government Electric Factory for the years 1952-53, 53-54 and 54-55.

---

Please refer to the Government Order No.I 1875-8 Ind 7-55-4 dated 21-7-55 on the above subject. A copy of letter No.A2 - G.E.F/55-6 dated 9-6-55 of the Additional Director of Industries & Commerce in Mysore, Bangalore, referred to in the preamble of the above Government Order may kindly be arranged to be sent for reference.

Yours faithfully,

(R.K.Chandrasekharan),
Examiner. O.A.G

SECRETARY DEVELOPMENT DEPARTMENT
RR- 31 AUG 1955
Government of Mysore

B
3/9

To

The Addl Dir I & C

Sir,

I 2752
D 12/9/55

Subject: Re in the Pte

I am directed to refer to G.O. No. 2 1875-8/2nd 7-54-4 dy 21-7-55 on the subject cited above and to request you to ~~state~~ intimate immediately whether the Labour Appellate Tribunal, Madras, has agreed to the withdrawal of the appeal preferred by the G.E.F. Labour Union.

Yf

for DS
9/55

GOVERNMENT OF MYSORE

No. I 24752

Mysore Government Secretariat,

*Dated, Bangalore* 27th Septr. *195* 5.

FROM

The *Secretary to the Government of Mysore,*
Development Department.

To

The Additional Director of Industries &
Commerce in Mysore, BANGALORE.

Sir,

Subject:- Payment of Bonus to the employees of the Government Electric Factory for the years 1952-53, 53-54 and 54-55.

---

I am directed to refer to G.O.No.I.1875-8/Ind.7-54-4 dated 21-7-1955 on the subject cited above and to request you to intimate immediately whether the Labour Appellate Tribunal, Madras, has agreed to the withdrawal of the appeal preferred by the Government Electric Factory's Labour Union.

Yours faithfully,

(K.Sankaran Nayar)
for Secretary to Government,
Development Department.

674

**GOVERNMENT OF MYSORE**

**DEPARTMENT OF INDUSTRIES AND COMMERCE**

2773/I
SEP 1955
OFFICE OF THE DIRECTOR,

Ref. No. GEF/77-27 83/55-56. Bangalore 23-9- 1955.

The Secretary to the Government of Mysore,
DEVELOPMENT DEPARTMENT, BANGALORE.

S i r,

SECRETARY DEVELOPMENT DEPARTMENT 18 24 SEP 1955 Government of Mysore

Sub:- Payment of bonus to the employees of the Govt. Electric Factory for the years 1952-53, 1953-54 and 54-55.

Ref:- Your letter No. I2752 I2/52 dated 12-9-55.

---

With reference to the above, I write to state that it is reported by the General Manager, Govt. Electric Factory that the Labour Appellate Tribunal, Madras, passed orders in open Court on 22-7-55 permitting withdrawal of the appeal filed by the Govt. Electric Factory Labour Union regarding Bonus on a joint application filed by the Management and the Labour Union.

A copy of the order passed by the Labour Appellate Tribunal is applied for.

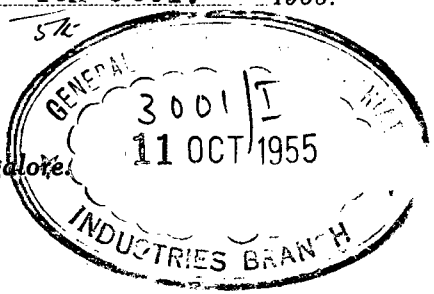
Yours faithfully,

(T. SHAMANNA)
ADDL. DIRECTOR.

kr.

OFFICE OF THE ACCOUNTANT GENERAL,
MYSORE,

No. 323(a) B. OAD. 2 713/55 Bangalore, dated 4th Octr. 1955.




From

The Accountant General, Mysore,
Bangalore.

To

The Secretary to the Government of Mysore,
Development Department,
BANGALORE.

Sir,

SUB: Payment of Bonus to the employees of the Government Electric Factory for the years 1952-53, 53-54 and 54-55.

---

Kindly refer to this office letter No.323 B. OAD.2 713/55-56 dated 31-8-55 on the subject indicated above. The favour of an early reply is requested.

Yours faithfully,

(K. Natarajan)
ASST. EXAMINER, O/A.D. 2.

Subd
connected file
is submitted for
kind orders
GKS

P.C. to Dev. Secy.
The connected file
was arranged
to be submitted
urgently

The file - Diary No 2363/I
with a draft letter to the O/C.
was subd to the Dev Secy
on 21-9-55 — for perusal
before issue
13/10/55 BS 13/X

Appendix F.G—1]

SUBJECT... ..... As in the P.U.D. .....

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Section

File No.

Serial No

*Diary No. of letter replied to*..... No. T 324/4/Dir/D 12/11/55

To

The A.C.

Mysore Government Secretariat

( )

*the* *195*

Sir,

Date of issue.....

I/o to your letter No. 323, G.O.D.-47 P/55-56 dt 30-8-55 on the subject cited above, I am directed to forward herewith a copy of ~~the Addl Director~~ letter No. 42-C.E.E./55-56 dt 9-6-56 from the Addl Dir: of C.

Signed by.....

Pl. type copy of L. flag 'A'

List of enclosures.....

Copied by.....

Examined by.....

GOVERNMENT OF MYSORE

No. D 344/E1/

Mysore Government Secretariat,

*Dated, Bangalore,* 12th Novr. *195* 5.

FROM

The *Secretary to the Government of Mysore,*
Development Department, Bangalore.

To

The Accountant-General, Mysore,
Bangalore.

Sir,

Subject:- Payment of Bonus to the employees of the Government Electric Factory for the years 1952-53, 1953-54 and 1954-55.

---

With reference to your letter No. 323-G.OAD$_2$-7B/55-56 dated 30th August 1955 on the subject cited above, I am directed to forward herewith a copy of letter No. A2-GEF /55-56 dated 9-6-1955 from the Additional Director of Industries and Commerce in Mysore, Bangalore.

Yours faithfully,

(K.Sankaran Nayar)
for Secretary to Government,
Development Department.

Letter No. A2-GEF/55-56 dated 9th June 1955 from the Additional Director of Industries and Commerce in Mysore, Bangalore, to the Secretary to the Government of Mysore, Development Department, Bangalore.

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Subject:- Appeal of the Government Electric Factory Labour Union before the Labour Appellate Tribunal, Madras Bench - Payment of Bonus.

---

In my letter No. 892/55-56 dated 31st May 1955/2nd June 1955 I have sought sanction of Government for my proposal to empower the Advocate-General in Mysore and the General Manager of the Factory to explore the possibilities of an amicable settlement out of Court of the above Appeal. In view of the importance of the question and the very short time available to us before the 15th instant for conducting negotiations, I thought it both desirable and necessary that I should personally move in the matter.

Accordingly an informal meeting was held this morning in the premises of the Government Electric Factory with the office bearers of the Labour Association and the Officers concerned of the Factory including the General Manager. A detailed note prepared by the General Manager is enclosed herein for the information of Government

I have also received today a letter No. 1516/Law.19-55-4 dated the 7th June 1955 from the Secretary to Government, Law Department, Bangalore, enclosing therein copies of letter dated 2nd June 1955 from Sri G.V.Ramachar, B.A., LL.B., addressed to the Advocate-General and letter No. 173 dated 2nd June 1955 from the Advocate General to the Secretary to Government, Law Department, Bangalore. It may be seen from the letter of the Advocate General that he is in favour of the dispute being settled out of court.

The ultimate demand of the Labour Association was for payment of bonus of 6 months' pay (in addition to the one month's bonus which has already been paid for the year 1951-52) for the 6 years from 1949-50 to 1954-55 both inclusive. After considerable discussio a final offer was made on behalf of the Management, subject to the consideration and approval of Government, that 5 month's bonus inclusive of the bonus of one month already paid in respect of the year 1951-52 would be given. This offer was based on the existing orders of Government in regard to the payment of bonus, according to which one month's bonus for each of the years 1952-53 and 1953-54 is payable. From the provisional figures furnished by the General Manager, it may be expected that the return during the year 1954-55 would be nearly 10% and therefore payment of two months' bonus for this year does not appear to be unreasonable. Therefore the offer means that bonus of one month's pay would be paid for each of the years 1952-53 and 1953-54 and two month's bonus for the

year 1954-55 which is justifiable having regard to the amounts of profits earned during the respective years. The demand put forward by the representatives of the Labour Association was in the nature of a package proposal for the entire period of six years without going into a year-to-year analysis and offer of 5 months' bonus made on behalf of he management was in the same spirit. The bonus would be calculated in the following manner:

1. For 1951-52 .. One month's bonus already paid as per award.
2. For 1952-53 .. One month's bonus based on that year's wages and according to the usual conditions
3. For 1953-54 .. One month's bonus based on that year's wages according to the usual conditions.
4. For 1954-55 .. Two months' bonus based on that year's wages according to the usual rules.

We are on the threshold of implementing a scheme for large scale expansion of the Factory and undertaking development work of a far-reaching nature. It is essential that we have the goodwi and cooperation of the labour to the maximum ~~xx~~ ex'ent possible in these schemes.

Apart from the merits of the case which would be decided on in the Courts of Law in the usual course, the ultimate decisions are bound to leave a trace of bitterness and rancour in the minds of labour even if they lose their case. In today's circumstances the relationship between the Management and Labour should be shorn of any such feeling. I presume that this is also at the back of the mind of the Advocate-General when he makes the suggestion for a settlement out of Court.

It is my considered opinion therefore that in the circumstances of the case the proposal to pay the labour five months' bonus inclusive of one month's bonus already paid to them, on the basis indicated above and to settle the matter out of Court is quite reasonable and I request you kindly to obtain the approval of the Government to the same and communicate their orders immediately.

I also suggest that orders of Government may be communicated to the Advocate-General through the Secretary to Government, Law Department, so that he may prepare the necessary papers for submission to the Tribunal before the date of hearing viz. 15th June 1955.

/Copy/

(R. Ramakrishna Iyer)
for Secretary to Government,
Development Department.

983.

**GOVERNMENT OF MYSORE**

# DEPARTMENT OF INDUSTRIES AND COMMERCE

3927/I
19 DEC 1955

OFFICE OF THE DIRECTOR,

Ref. No. GEF/77-5738/55-56. Bangalore 13-12-1955 ....19

75-

The Secretary to the Government of Mysore,
Development Department, Bangalore.

S i r,

Sub:- Payment of bonus to the employees of the Govt. Electric Factory for the years 1952-53, 1953-54 and 1954-55.

Ref:- Your letter No. I. 3639 dt. 1-12-1955.

2363 9/12/55 23/11

With reference to the above, I enclose herewith a copy of the order passed by the Labour Appellate Tribunal in the matter.

Yours faithfully,

(T. SHAMANNA)
ADDL. DIRECTOR.

kr.
Encl. Copy of Order.

SECRETARY DEVELOPMENT DEPARTMENT
16 DEC 1955
Government of Mysore

13/12

THE HONOURABLE LABOUR APPELLATE TRIBUNAL OF INDIA,
MADRAS.

---

Appeal No. III-505 of 1953.

Workmen of the Government Electric Factory represented by the Government Electric Factory Labour Association. — Appellants.

Vs

The Management of the Government Electric Factory, Bangalore. — Respondent.

Inthe matter of an appeal the award of the Industrial Tribunal Bangalore in I.C.No.20 of 51-52 dated 5th August 1955.

---

Present: Sri S. Govinda Menon. — President.
" M.D. Lalkaka. — Member.

True Copy of the order dated 22nd July 1955.

Parties have filed an application stating that the matter has been settled between the parties and that the appellant may, therefore, be allowed to withdraw the appeal. The appeal is allowed to be withdrawn.

Sd/- S. Govinda Menon.
President.

Sd/- M.D. Lalkaka
Member.

Attested:

Sd/-
Asst. Registrar,
Labour Appellate Tribunal of India,
Madras.

"COPY"

For Addl. Director. 13/12-

D. Conciliation ~~in~~ Settlement of the dispute between the Labour Union and the Management of G.E.F., Bangalore re: payment of bonus

The question of bonus payable to ~~claimed by~~ the workers of the G.E.F has been the subject of a dispute between the Labour Union and the Management of the Factory for the last six years.

The Labour Union's for bonus for the years 1949-50, 1950-51 and 1951-52 was decided by the Industrial Tribunal, Bangalore, in favour of the workers by the award of bonus equal to one month's pay or wages for the year 1951-52 only as against their claim for 4 months pay or wages for all the three years. In their Award, the Tribunal also stated that no bonus was payable for the years in which loss had been sustained by the factory, viz 1949-50 and 1950-51

Against this award, the Labour Union preferred an appeal before the Appellate Labour Tribunal of India.

The Labour Appellate Tribunal, Madras, posted the case for hearing on 19-6-55 and 25-5-55. On both these days, the Counsel for the Labour Union prayed for an adjournment so as to explore the possibilities of settling the matter out-

Court was that was agreed to by the Dir.-Gl. on behalf

After considerable discussion, an offer was made on behalf of the Management of G.F.F. to pay bonus equal to 5 months' pay or wages which was agreed to inclusive of one months pay or wages already disbursed as bonus for the year 1951-52: ~~one month's pay or wages (already disbursed)~~ ~~two months pay or wages~~ ~~when the matter~~ was placed before him, the Minister for Industries recorded the following minute.

The Manager of the Labour Union stated that they would prefer the bonus question to be settled once for all as usual (prior to 1954-55 festival bonus was settled in advance) when negotiations were taking place in 1954-55.

* paras 31 to 34 of the note *.

The C.M's minute on the subject are reproduced below.

* para 35 of the note *

Orders sanctioning the payment (as appended to the note) were issued accordingly and the matter is placed before the Council of Ministers for ratification of ~~orders already~~ action taken.

The Addl. Dy. Chief reported that the Appellate Authority has permitted the withdrawal of the case.

23/8/55

Dep Secy
(17/8)

After considerable discussion, an offer was made on behalf of the Management for the employees bonus equal to four weeks' pay or wages (exclusive of one month's pay or wage already disbursed as bonus for the year 1952-53) as follows:-

For 1952-53 = One month's bonus or wages

" 1953-54 = " " "

" 1954-55 = Two months' "

DRAFT COUNCIL NOTE.

Subject:- Settlement of the dispute between the Labour Union and the Management of Govt. Electric Factory, Bangalore regarding payment of bonus.

---

The question of bonus payable to the Workers of the Govt. Electric Factory has been the subject of a dispute between the Labour Union and the Management of the Factory for the last six years.

The Labour Union's claim for bonus for the years 1949-50, 1950-51 and 1951-52 was decided by the Industrial Tribunal, Bangalore, in favour of the workers by the award of bonus equal to one month's pay or wages for the year 1951-52 only as against their claim for 7 months' pay or wages for all the three years. In their award, the Tribunal also stated that no bonus was payable for the years in which loss had been sustained by the Factory, viz., 1949-50 and 1950-51.

Against this award, the Labour Union preferred an appeal before the Appellate Labour Tribunal of India.

The Labour Appellate Tribunal, Madras, posted the case for hearing on 19-4-55 and again on 25-5-55. On both these days, the Counsel for the Labour Union prayed for an adjournment so as to explore the possibilities of settling the matter out of Court, and this was agreed to by the Advocate General on behalf of the Management.

The Labour Union stated that they would prefer the bonus question to be settled once

p.t.o.

once for all not only for the 3 years pending before the Tribunal but also in respect of the 3 subsequent years ending with 1954-55.

After considerable discussion, an offer was made on behalf of the Management to pay to the employees bonus equal to four months' pay or wages (exclusive of one month's pay or wages already disbursed as bonus for the year 1951-52) as follows:-

For 1952-53 = One month's pay or wages
" 1953-54 = One -do- -do-
" 1954-55 = Two months' pay or wages.

When the matter was placed before him, the Minister for Industries recorded the following minutes:-

"The Development Secretary has endorsed the view that four months' bonus may be given as against six months' bonus claimed by the labour in view of the fact that there is a very heavy developmental programme of the industry before us. It is necessary that there should be a very wholehearted co-operation of the labour, without which, it would be futile to think of making headway progress.

For the years 1952-53, 1953-54 and 1954-55, Government will have to pay one month's bonus for each year under the Rules. The question is whether only one month's bonus should be paid for 1954-55 or two as recommended by the Additional Director and endorsed by the Development Secretary. There is justification for payment of two months' bonus on account of a very high gross profits registered in the year 1954-55. Whether two months' bonus will be allowed

by the tribunal or not, is not important. Conceding to pay two months' bonus for 1954-55, as proposed will help to settle a dispute of six years standing and put the labour in proper gear. This is suggested not as a measure of placating labour but as a generous gesture designed to keep the relationship with the labour healthy and encouraging. The representatives of the Labour Union interviewed me on 12th July 1955. Their representations did not appear to me as motivated by a spirit of exploitation. I found in them a spirit of co-operation and a keen desire to contribute their mite to improve the production. Under the circumstances, I feel that it is desirable to end this deadlock although, it will mean a little generosity on our part.

The Labour representatives have agreed to withdraw the appeal and accept four month's bonus in final settlement of all their claims. The extra payment involved is Rs.55,000/- as against the net profit of about Rs.6.24 lakhs earned by the Factory during the 3 years 1952-53, 1953-54 and 1954-55 There has also been a very large non-operational profit during this period.

On overall consideration of all the aspects of the question, I feel that the proposal may be accepted with advantage to Government.

The case before the Tribunal is finally posted to 22nd July 1955 and it would not be

possible to get a further adjournment. If the proposal is acceptable to the Chief Minister, orders may be issued in anticipation of Council decision."

The Chief Minister's minutes on the subject are reproduced below:

"I agree. Issue orders and place it before council for ratification."

The Additional Director has reported that the Appellate Tribunal has permitted the withdrawal of the case.

Orders (as appended to this note) sanctioning the payment were issued accordingly and the matter is placed before the Council of Ministers for ratification of action taken.

Secretary to Government,
Development Department.

Subject:- Settlement of the dispute between the Labour Union and the Management of Government Electric Factory, Bangalore regarding payment of bonus.

---

The question of bonus payable to the workers of the Government Electric Factory has been the subject of a dispute between the Labour Union and the Management of the Factory for the last six years.

The Labour Union's claim for bonus for the years 1949-50, 1950-51 and 1951-52 was decided by the Industrial Tribunal, Bangalore, in favour of the workers by the grant of bonus equal to one month's pay or wages for the year 1951-52 only as against their claim for 7 months' pay or wages for all the three years. In their award, the Tribunal also stated that no bonus was payable for the years in which loss had been sustained by the Factory, viz., 1949-50 and 1950-51.

Against this award, the Labour Union preferred an appeal before the Appellate Labour Tribunal of India.

The Labour Appellate Tribunal, Madras, posted the case for hearing on 16th April 1953 and again on 28th May 1953. On both these days, the Counsel for the Labour Union prayed for an adjournment so as to explore the possibilities of settling the matter out of Court, and this was agreed to by the Advocate General on behalf of the Management.

The Labour Union stated that they would prefer the bonus question to be settled once for all not only for the 3 years pending before the Tribunal but also in respect of the 3 subsequent years ending with 1954-55.

After considerable discussion, an offer was made on behalf of the Management to pay to the employees bonus equal to four months' pay or wages (exclusive of one month's pay or wages already disbursed as bonus for the year 1951-52) as follows:-

For 1952-53 = One month's pay or wages.
For 1953-54 = One month's pay or wages.
For 1954-55 = Two months' pay or wages.

When the matter was placed before him, the Minister for Industries recorded the following minutes:-

"The Development Secretary has enforced the view that four months' bonus may be given as against six months' bonus claimed by the labour in view of the fact that there is a very heavy developmental programme of the industry before us. It is necessary that there should be a very wholehearted co-operation of the labour, without which, it would be futile to think of making healthy progress.

For the years 1953-54, 1954-55 and 1954-55, Government will have to pay one month's bonus for each year under the Rules. The question is whether only one month's bonus should be paid for 1954-55 as the one recommended by the Industrial Director and enforced by the Development Secretary. There is justification for payment of two months' bonus on account of a very high gross profits registered in the year 1954-55. Whether two months' bonus will be allowed by the Tribunal or not, is not important. Conceding to pay two months' bonus for 1954-55, as proposed will help to settle a dispute of six years standing and put the labour in proper gear. This is suggested not as a measure of placating labour but as a concrete gesture designed to keep the relationship with the labour healthy and encouraging. The representatives of the Labour Union interviewed me on 12th July 1955. Their representations did not appear to me as motivated by a spirit of exploitation. I found in them a spirit of co-operation and a keen desire to contribute their mite to improve the production. Under the circumstances, I feel that it is desirable to end this deadlock although, it will mean a little generosity on our part.

The labour representatives have agreed to withdraw the appeal and accept four month's bonus in final settlement of all their claims. The extra payment involved is Rs. 65,000/- as against the net profit of about Rs. 0.24 lakhs earned by the Factory during the 3 years 1952-53, 1953-54 and 1954-55. There has also been a very large non-operational profit during this period.

On overall consideration of all the 5 aspects of the question, I feel that the proposal may be accepted with advantage to Government.

The case before the Tribunal is finally posted to 22nd July 1955 and it would not be possible to get a further adjournment. If the proposal is acceptable to the Chief Minister, orders may be issued in anticipation of the Council decision."

The Chief Minister's minutes on the subject are reproduced below:

"I agree. Issue orders and place it before Council for ratification."

The Additional Director has reported that the Appellate Tribunal has permitted the withdrawal of the case.

Orders (as appended to this note) sanctioning the payment were issued accordingly and the matter is placed before the Council of Ministers for ratification of action taken.

B. Lakshmana Rao

(B. Lakshmana Rao)
for Secretary to Government,
Development Department.

## PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read:-

Correspondence ending with letter No. AC-3 S/53-56 dated 9-6-1955 from the Additional Director of Industries and Commerce, regarding the appeal preferred by the Government Electric Factory Labour Union before the Labour Appellate Tribunal, Madras Bench, in regard to their bonus claims for the years 1949-50, 1950-51 and 1951-52 and also in regard to their claims for the subsequent years upto 1954-55 inclusive.

ORDER No. I.1775-G/Ind.7-55-4

DATED, BANGALORE, THE 21ST JULY 1955.

Bonus equal to one month's pay has already been paid to the workers of the Government Electric Factory for the year 1951-52. With a view to settling this long standing dispute, bonus equal to one month's pay for each of the years 1952-53 and 1953-54 and bonus equal to two months' pay as a special case for 1954-55 is sanctioned to the workers of the Factory. The representatives of the Government Electric Factory Labour Union have agreed to withdraw the appeal pending before the Labour Appellate Tribunal and to accept four months' pay or wages as above in addition to one month's pay already paid as bonus, in full and final settlement of their claims for these years.

2. Bonus as above may be paid to the workers subject to the usual conditions governing the grant of bonus as set forth in Government Industrial Concerns.

3. The Advocate-General, Mysore, Bangalore, is requested to take necessary further action in regard to the pending appeal.

Sd/- K. Parthasarathy Aiyar,
for Secretary to Government,
Development Department.

/Copy/

B.S. Sambasiva Iyer
(B.S. Sambasiva Iyer)
for Secretary to Government,
Development Department.